



Carlos Jackson
Executive Director

**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office
2 Coral Circle • Monterey Park, CA 91755
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Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

**AGENDA
FOR THE REGULAR MEETING OF THE
LOS ANGELES COUNTY HOUSING COMMISSION
WEDNESDAY, DECEMBER 19, 2007**

**12:00 NOON
HEADQUARTERS OFFICE
2 CORAL CIRCLE
MONTEREY PARK, CA 91755
(323) 890-7001**

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1. Call to Order

2. Roll Call

**Lynn Caffrey Gabriel, Chair
Henry Porter, Jr., Vice Chair
Severyn Aszkenazy
Philip Dauk
Adriana Martinez
Bertha Scott
Alberta Parrish**

3. Reading and Approval of the Minutes of the Previous Meetings

Regular Meeting of November 28, 2007

4. Report of the Executive Director

5. Public Comments

The public may speak on matters that are within the jurisdiction of the Housing Commission. Each person is limited to three minutes.

6. Staff Presentations

Quarterly Construction Contract Status Report – Geoffrey Siebens



Regular Agenda

7. Approve Contracts for Provision of Building Materials and Supplies (All Districts)

Recommend that the Board of Commissioners find that the approval of contracts for provision of building materials and supplies is exempt from the provisions of the California Environmental Quality Act (CEQA), as described herein, because the contracts approval will not have the potential for causing a significant effect on the environment; approve and authorize the Executive Director of the Housing Authority of the County of Los Angeles to execute eight one-year contracts (collectively "Contracts") in the aggregate amount of \$975,000 and in substantially the form of the attached, and all related documents, with the contractors identified in Attachment A, for the provision of building materials and supplies for the maintenance of the Housing Authority's housing developments on an as-needed basis, to be effective following approval as to form by County Counsel and execution by all parties; authorize the Executive Director to execute amendments to the Contracts, following approval as to form by County Counsel, to extend the time of performance for an additional two years, in one-year increments, at the same annual aggregate amount of \$975,000; authorize the Executive Director to use a maximum aggregate amount of \$2,925,000 over a three-year period for the purposes described above, comprised of \$975,000 in funds included in the Housing Authority's approved Fiscal Year 2007-2008 budget, and \$1,950,000 in funds to be requested through the Housing Authority's annual budget approval process; authorize the Executive Director to execute Contracts, in substantially the form of the attached, and all related documents, with additional qualified contractors who submit bids in conformance with the bid requirements during the next bid process to be held within this fiscal year, in order to ensure sufficient numbers of contractors to meet the Housing Authority's building materials and supplies needs. (APPROVE)

8. Approve Construction Contract for Bathroom and Kitchen Remodeling Project to Meet Requirements of the American with Disabilities Act at Palm and West Knoll Senior Housing Developments in the City of West Hollywood (3)

Recommend that the Board of Commissioners find that the approval of a construction contract (Contract) for the bathroom and kitchen remodeling project to meet the requirements of the American with Disabilities Act (ADA) at the Palm and West Knoll senior housing developments in the City of West Hollywood is exempt from the provisions of the California Environmental Quality Act (CEQA), as described herein, because the work includes activities that will not have the potential for causing a significant effect on the environment; approve the award of a Contract in the amount of \$286,875 to AZ Home, Inc., for the purposes described above at the subject properties, and authorize the Executive Director of the Housing Authority to execute the Contract and all related documents, to be effective upon the issuance of the Notice to Proceed, which will not exceed 30 days following the date of Board

approval; authorize the Executive Director to use a total of \$286,875 in Community Development Block Grant (CDBG) funds allocated by the U.S. Department of Housing and Urban Development (HUD) and included in the Housing Authority's approved Fiscal Year 2007-2008 budget, and authorize the Executive Director to approve Contract change orders not exceeding \$57,375 for unforeseen project costs, using the same source of funds described above. (APPROVE)

9. **Approve Construction Contract for West Knoll Electrical Switchgear Replacement Project at West Knoll Senior Housing Development in the City of West Hollywood (3)**

Recommend that the Board of Commissioners find that the approval of a construction contract for the replacement of two electrical switchgear systems and removal of an existing water tank at the West Knoll senior housing development is exempt from the provisions of the California Environmental Quality Act (CEQA), as described herein, because the project will not have the potential for causing a significant effect on the environment; approve the award of a Construction Contract (Contract) in the amount of \$175,700 to M.L. Construction, to complete the replacement of two electrical switchgear systems and removal of existing water tank at the West Knoll senior housing development, and authorize the Executive Director of the Housing Authority to execute the Contract and all related documents, to be effective upon the issuance of the Notice to Proceed, which will not exceed 30 days following the date of Board approval; authorize the Executive Director to use a total of \$175,700 in Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD), and included in the Housing Authority's approved Fiscal Year 2007-2008 budget, and authorize the Executive Director to approve Contract change orders not exceeding \$35,140 for unforeseen project costs, using Capital Funds Program (CFP) funds from HUD. (APPROVE)

10. **Approve Construction Contract for Fencing and Gate Improvements at 13 Housing Authority Housing Developments (2)**

Recommend that the Board of Commissioners find that the approval of a construction contract for fencing and gate improvements at the Housing Authority developments as identified in Attachment A is exempt from the provisions of the California Environmental Quality Act (CEQA), as described herein, because the work includes activities that will not have the potential for causing a significant effect on the environment; approve the award of the attached construction contract (Contract) in the amount of \$366,248 to Bobco Metals, LLC, to complete the fencing and gate improvements at the subject properties; and authorize the Executive Director of the Housing Authority of the County of Los Angeles to execute the Contract and all related documents, following approval as to form by County Counsel and effective upon the issuance of the Notice to Proceed, which will not exceed 30 days following the date of Board approval; authorize the Executive Director to use a total of \$366,248 in Capital Funds Program (CFP) funds provided by the U.S. Department of Housing and Urban Development (HUD), for the

purposes described herein; and authorize the Executive Director to approve Contract change orders not exceeding \$91,562 for unforeseen project costs, using the same source of funds; authorize the Executive Director to incorporate up to \$457,810 in CFP funds into the Housing Authority's approved Fiscal Year 2007-2008 budget, for the purposes described above. (APPROVE)

11. Adopt Resolutions Approving Issuance of Multifamily Housing Mortgage Revenue Bonds for Multifamily Housing in the City of West Hollywood (3)

Recommend that the Board of Commissioners acting as a Responsible Agency for the Sierra Bonita Apartments Project, certify that the Housing Authority of the County of Los Angeles has independently considered the attached Initial Study/Negative Declaration (IS/ND), prepared by the City of West Hollywood, as Lead Agency, and reached its own conclusions regarding the environmental effects of the project; and find that the project will not have a significant effect on the environment; adopt and instruct the Chair to sign a Resolution, provided as Attachment B, as required under Treasury Regulations, declaring an intent by 7530 Santa Monica, L.P. (the Developer), a California Limited Partnership, to undertake bond financing in an amount not exceeding \$11,000,000 to finance the site acquisition and construction of the Sierra Bonita Apartments (the Project), a 42-unit multifamily rental housing development located at 7530 Santa Monica Boulevard in the City of West Hollywood; authorize the Executive Director of the Housing Authority to submit an application to the California Debt Limit Allocation Committee (CDLAC) for a private activity bond allocation in an aggregate amount not exceeding \$11,000,000 for the purposes described herein. (APPROVE)

12. Election of Chair and Vice-Chair for 2008

13. Housing Commissioners Comments and Recommendations for Future Agenda Items

Housing Commissioners may provide comments or suggestions for future Agenda items.

Copies of the preceding agenda items are on file and are available for public inspection between 8:00 a.m. and 5:00 p.m., Monday through Friday, at the Housing Authority's main office located at 2 Coral Circle in the City of Monterey Park. Access to the agenda and supporting documents is also available on the Housing Authority's website.

Agendas in Braille are available upon request. American Sign Language (ASL) interpreters, or reasonable modifications to Housing Commission meeting policies and/or procedures, to assist members of the disabled community who would like to request a disability-related accommodation in addressing the Commission, are available if requested at least three business days prior to the Board meeting. Later requests will be accommodated to the extent possible. Please contact the Executive Office of the Housing Authority by phone at (323) 838-5051, or by e-mail at marisol.ramirez@lacdc.org, from 8:00 a.m. to 5:00 p.m., Monday through Friday.

THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES

MINUTES FOR THE REGULAR MEETING OF THE

LOS ANGELES COUNTY HOUSING COMMISSION

Wednesday, November 28, 2007

The meeting was convened at the Herbert Avenue housing development located at 133 Herbert Avenue, Los Angeles, California.

Digest of the meeting. The Minutes are being reported seriatim. A taped record is on file at the main office of the Housing Authority.

The meeting was called to order by Chair Lynn Caffrey Gabriel at **12:05 p.m.**

ROLL CALL

Present

Absent

Lynn Caffrey Gabriel

X

Henry Porter, Jr.

X

Severyn Aszkenazy

X

Philip Dauk

X

Adriana Martinez

X

Bertha Scott

X

Alberta Parrish

X

PARTIAL LIST OF STAFF PRESENT:

Bobbette Glover, Assistant Executive Director

Maria Badrakhan, Director, Housing Management

Arlene Black, Manager, Housing Management

Geoffrey Siebens, Manager, Construction Management

GUESTS PRESENT:

Rick Velazquez, Deputy, Fourth District

Herbert Avenue Resident Council members were present.

Reading and Approval of the Minutes of the Previous Meeting

On Motion by Commissioner Porter, seconded by Commissioner Martinez, the minutes of the Regular Meeting of October 24, 2007 were approved.

Agenda Item No. 4 - Report of the Executive Director

Bobbette Glover reported on the following items:

At the request of Ms. Glover, Arlene Black and Carmen Gonzalez, Property Manager, provided a brief overview of the Herbert Avenue housing development.

Ms. Glover announced excellent news, based on our performance on the Section Eight Management Assessment Program (SEMAP), the Housing Authority is now on its first step to being removed from troubled status.

Ms. Glover announced that the deadline to complete the HUD- mandated Section 8 on-line training for Housing Commissioners is December 31, 2007.

Agenda Item No. 5 – Public Comments

Commissioner Porter suggested that Public Comment cards not to be used to allow all members of the Resident Council to express their concerns. Maria Badrakhan and Arlene Black will address their concerns and report back at the next meeting.

Commissioner Martinez recommended that translation equipment be available to facilitate communication among residents.

Agenda Item No. 6 - Staff Presentations

Fia Phillips, Operations Manager and Susan Cunningham, Lease-up and Inspections Unit Supervisor, provided a presentation on the Housing Quality Standards and responded to questions from the Commissioners.

Elisa Vasquez provided the legislative update and responded to questions from the Commissioners.

Bob Nishimura presented the News Broadcast and responded to questions from the Commissioners.

Regular Agenda

On Motion by Commissioner Porter, seconded by Commissioner Aszkenazy, and unanimously carried, the following was approved by the Housing Commission:

**ADOPT RESOLUTIONS APPROVING ISSUANCE OF MULTIFAMILY
HOUSING MORTGAGE REVENUE BONDS FOR MULTIFAMILY HOUSING IN
UNINCORPORATED EAST LOS ANGELES (1)
AGENDA ITEM NO. 7**

1. Recommend that the Board of Commissioners find that acting as a Responsible Agency pursuant to California Environmental Quality Act (CEQA), certify that the Housing Authority has considered the determination made by the County of Los Angeles, as Lead Agency, and find that the project will not cause a significant effect on the environment.
2. Recommend that the Board of Commissioners adopt and instruct the Chairman to sign a Resolution, provided as Attachment B, as required under Treasury Regulations, declaring an intent by Casa Lucerna KBS, L.P. (the Developer), a California Limited Partnership, to undertake bond financing in an amount not exceeding \$7,000,000 for the acquisition and rehabilitation of Casa Lucerna, a 75-unit multifamily

rental housing development located at 1025 South Kern Avenue in unincorporated East Los Angeles, and also ratifying the inducement resolution previously adopted by California Municipal Finance Authority (CMFA), attached as Exhibit 1 to Attachment B.

3. Recommend that the Board of Commissioners authorize the Executive Director of the Housing Authority to submit an application to the California Debt Limit Allocation Committee (CDLAC) for a private activity bond allocation in an aggregate amount not exceeding \$7,000,000 for the purposes described herein.

Commissioner Askenazy recommended that a full cost sheet be submitted for future similar board letters.

On Motion by Commissioner Porter, seconded by Commissioner Aszkenazy, and unanimously carried, the following was approved by the Housing Commission:

ADOPT RESOLUTIONS APPROVING ISSUANCE OF MULTIFAMILY
HOUSING MORTGAGE REVENUE BONDS FOR MULTIFAMILY HOUSING IN
UNINCORPORATED WHITTIER (4)
AGENDA ITEM NO. 8

1. Recommend that the Board of Commissioners acting as a Responsible Agency pursuant to CEQA, certify that the Housing Authority has considered the determination made by the County of Los Angeles, as Lead Agency, and find that the project will not cause a significant effect on the environment.
2. Recommend that the Board of Commissioners adopt and instruct the Chairman to sign a Resolution, provided as Attachment B, as required under Treasury Regulations, declaring an intent by Leffingwell Manor KBS, L.P. (the Developer), a California Limited Partnership, to undertake bond financing in an amount not exceeding \$10,000,000, for the acquisition and rehabilitation of Leffingwell Manor, a 89-unit multifamily rental housing development located at 11410 Santa Gertrudes Avenue in unincorporated Whittier, and ratifying the inducement resolution previously adopted by California Municipal Finance Authority (CMFA), attached as Exhibit 1 to Attachment B.
3. Recommend that the Board of Commissioners authorize the Executive Director of the Housing Authority to submit an application to the California Debt Limit Allocation Committee (CDLAC) for a private activity bond allocation in an aggregate amount not exceeding \$10,000,000 for the purposes described herein.

This item was removed from the agenda, because the contractor withdrew his bid for the contract award:

APPROVE CONSTRUCTION CONTRACT FOR BATHROOM AND KITCHEN
REMODELING PROJECT TO MEET REQUIREMENTS OF THE AMERICAN
WITH DISABILITIES ACT AT PALM AND WEST KNOLL SENIOR HOUSING
DEVELOPMENTS IN THE CITY OF WEST HOLLYWOOD (3)
AGENDA ITEM NO. 9

On Motion by Commissioner Porter, seconded by Commissioner Aszkenazy, and unanimously carried, the following was approved by the Housing Commission:

APPROVE CONSTRUCTION CONTRACT FOR
CARMELITOS BURNED UNITS REHABILITATION PROJECT (4)
AGENDA ITEM NO. 10

1. Recommend that the Board of Commissioners find that the approval of a construction contract for the rehabilitation of burned units at the Carmelitos housing development, located at 1000 Via Wanda Avenue, in the City of Long Beach, is exempt from the provisions of the California Environmental Quality Act (CEQA), as described herein, because the work includes activities that will not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners approve the award of the attached Construction Contract (Contract) in the amount of \$52,881 to DMS Construction Incorporated, to complete the rehabilitation of two burned units at the subject property; and authorize the Executive Director of the Housing Authority of the County of Los Angeles to execute the Contract and all related documents, following approval as to form by County Counsel and effective upon the issuance of the Notice to Proceed, which will not exceed 30 days following the date of Board approval.
3. Recommend that the Board of Commissioners authorize the Executive Director to use a total of \$52,881 in Capital Funds Program (CFP) funds provided by the U.S. Department of Housing and Urban Development (HUD), for the purposes described herein; and authorize the Executive Director to approve Contract change orders not exceeding \$13,220 for unforeseen project costs, using the same source of funds.
4. Recommend that the Board of Commissioners authorize the Executive Director to incorporate up to \$66,101 in CFP funds into the Housing Authority's approved Fiscal Year 2007-2008 budget, for the purposes described above.

On Motion by Commissioner Martinez, seconded by Commissioner Porter, and unanimously carried, the following was approved by the Housing Commission:

**APPROVE CONTRACT FOR SURVEY AND EVALUATION SERVICES OF
HOUSING AUTHORITY PUBLIC HOUSING RESIDENTS (ALL DISTRICTS)
AGENDA ITEM NO. 11**

1. Recommend that the Board of Commissioners find that approval of the Contract for Survey and Evaluation Services (Contract) is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the Contract will not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners approve the award of the attached Contract in the amount of \$57,500 to Diversity Research and Consulting Group, Inc. (Diversity), to continue the survey and evaluation of the impact of the Housing Authority's prevention, intervention, and enforcement programs on its public housing residents; and authorize the Executive Director of the Housing Authority of the County of Los Angeles to execute the Contract and all related documents, following approval as to form by County Counsel and effective on the date of Board approval.
3. Recommend that the Board of Commissioners authorize the Executive Director to use a total of \$57,500 in public housing funds, included in the Housing Authority's approved Fiscal Year 2007-2008 budget for the purposes described herein.
4. Recommend that the Board of Commissioners authorize the Executive Director to execute amendments to the Contract, following approval as to form by County Counsel, to increase Contract by \$11,500, for any unforeseen costs, using the same source of funds described above.
5. Recommend that the Board of Commissioners authorize the Executive Director to execute amendments to the one-year Contract, following approval as to form by County Counsel, to extend the time of performance for an additional of two years, in one-year increments, at \$64,400 for the second year, and \$72,128 for the third year, using funds to be approved through the Housing Authority's annual budget process.

On Motion by Commissioner Dauk, seconded by Commissioner Porter, and unanimously carried, the following was approved by the Housing Commission:

**APPROVE COMMUNITY DEVELOPMENT BLOCK GRANT CONTRACT
FOR COMPUTER COORDINATOR POSITION AT THE MAGIC JOHNSON
INVENTOR CENTER AT UJIMA VILLAGE HOUSING DEVELOPMENT (2)
AGENDA ITEM NO. 12**

1. Recommend that the Board of Commissioners find that approval of the Community Development Block Grant (CDBG) Contract (Contract) for a part-time Computer Coordinator position at the Magic Johnson Inventor Center at the Ujima Village housing development, located at 941 East 126th Street, in unincorporated Los Angeles County, is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the Contract will not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners approve the Contract in the amount of \$32,000, for the purposes described herein; and authorize the Executive Director or his authorized designee of the Housing Authority of the County of Los Angeles (Housing Authority) to execute the Contract and all related documents, following approval as to form by County Counsel and effective on the date of Board approval.
3. Recommend that the Board of Commissioners authorize the Executive Director to accept from the Community Development Commission and incorporate into the Housing Authority's approved Fiscal Year 2007-2008 budget, a total of \$32,000 in CDBG program funds provided by the U.S. Department of Housing and Urban Development (HUD) for the purposes described herein.

On Motion by Commissioner Martinez, seconded by Commissioner Porter, and unanimously carried, the following was approved by the Housing Commission:

**APPROVE AND AUTHORIZE THE CHAIR TO SIGN A LETTER
INVITING THE RESIDENT COUNCIL PRESIDENTS TO ATTEND THE
MEETINGS OF THE HOUSING COMMISSION
AGENDA ITEM NO. 13**

On Motion by Commissioner Aszkenazy, seconded by Commissioner Martinez, and unanimously carried, the following was approved by the Housing Commission:

APPROVE THE 2008 HOUSING COMMISSION MEETING SCHEDULE
AGENDA ITEM NO. 14

Agenda Item No. 15 – Housing Commissioner Comments and Recommendations for Future Agenda Items

Ms. Glover announced that the Housing Commissioner election will be held during the December meeting.

Commissioner Porter expressed his concerns about the HUD-required on-line training. All Commissioners agreed that the internet based training is challenging to complete due to its incompatibility with personal computers, time limit to complete the training, inconsistency in the order that the training is presented, and the inadequacy of the training for our area. Mr. Porter stressed that such laborious requirements might deter individuals from volunteering for the Housing Commissioner position.

Rick Velazquez, Deputy, stated that at a meeting with HUD, the Housing Authority and the Supervisor, other training options were considered, and on-line training seemed to be the best choice.

Commissioner Martinez expressed concern with the approach used by Housing Authority staff when disseminating training information to the Commissioners. She commented that the caller was inflexible with the timeframe given to complete the training. Commissioner Martinez suggested that better judgment should be exercised when preparing for future trainings by providing adequate and timely information as well as sufficient time for training deadlines.


Commissioner Dauk thanked staff for adequately managing the various housing developments.

Commissioner Gabriel announced that regretfully she will not attend December's meeting: She will be fulfilling a life-long wish and will be traveling to London.

Commissioner Aszkenazy commented that he was pleased with the wealth of information provided at the meeting.

On Motion by Commissioner Porter, the Regular Meeting of November 28, 2007, adjourned at 2:20 p.m.

Respectfully submitted,


for CARLOS JACKSON
Secretary –Treasurer



Carlos Jackson
Executive Director

**HOUSING AUTHORITY
of the County of Los Angeles**

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Gloria Molina
Yvonne Brathwaite Burke
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Don Knabe
Michael D. Antonovich
Commissioners

ASSISTED HOUSING DIVISION

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December 12, 2007

FOR YOUR INFORMATION ONLY

Ms. KJ Brockington, Director
Office of Public Housing
U.S. Department of Housing
And Urban Development
Los Angeles Field Office, Region IX
611 West 6th Street, Suite 1040
Los Angeles, CA 90017-3101

SUBJECT: THE FAMILY SELF-SUFFICIENCY (FSS) PROGRAM

Dear Ms. Brockington:

The Family Self-Sufficiency (FSS) Program is a HUD initiative intended to promote the development of local strategies to enable families both in public housing and the Housing Choice Voucher Program to achieve economic independence and self-sufficiency.

This report has previously been provided to the Housing Authority of the County of Los Angeles Housing Commissioners on a monthly basis. This report is now being provided to the HUD local field office and the Los Angeles County Board of supervisors to keep all concerned parties abreast of the continuous efforts and accomplishments associated with this worthwhile program as part of the Corrective Action Plan.

FSS Program Update for November

- The Family Self Sufficiency staff continued its ongoing recruitment efforts, with a total of 16 new applicants, 15 of whom were eligible for the Family Self Sufficiency Program.
- Staff enrolled 8 new participants.
- Received 7 requests to graduate from the Family Self Sufficiency program.
- Provided on-going training for our staff to better serve our participants.



Ms. KJ Brockington
December 12, 2007
Page 2

- While attending Partnership/Marketing meetings at Hub Cities WorkSource, FSS staff conducted program presentation to all assembled partnered agencies and participated in planning and strategy meetings.
- Brochures were mailed to 1,600 recent leased up households.
- 82 applications for the FSS program were mailed to interested families.
- Referred 23 FSS applicants to WorkSource Centers resource for job search assistance and resume writing.
- Issued 3 Credit Repair packets to FSS applicants and 5 packets to existing FSS participants.
- Communicated with and assisted over 300 FSS participants with general Housing Choice Voucher questions, FSS Program queries, issues and supportive services information.
- Resource information for employment opportunities, budgeting, money saving tips and homeownership workshops were disseminated to 9 FSS participants and applicants during November appointments.
- Referred 1 Section 8 tenant to Operation Hope Home Ownership Program, per the tenant's request.
- Referred 4 FSS participants to the CDC Home Ownership Program (HOP), per the tenant's request.

Graduates

During the month of November, there were no graduates from the Family Self Sufficiency's Housing Choice Voucher Program. The total number of graduates to date is 179.

If you have any further questions, please feel free to contact me at (562) 347-4837.

Sincerely,


MARGARITA LARES, Acting Director
Assisted Housing Division

ML:rag

c: Board of Supervisors
Housing Commissioners

Contract Status Report

FOR YOUR INFORMATION ONLY

Project Filter Options	Program: All Programs	Proj. Manager: All Managers
	Department: All Departments	Team Member: All Team Members
District: All Dist.	Dev. Stage: Construction	Fund Source: All funds

District	Project Name	Contractor Name	Status				Pending Action / Forecast
			Original Contract Amount	Current Contract Amount	% Cng Orders	Approved Payments	%Cmpl
1st	Linsley-Firmona Rehab (Replacement Housing Funds) Tracker #: TP001780	C. A. S. General Contractor	\$223,610	\$223,610	0%	\$0	0%
			Negotiations with the contractor, Housing Authority, and VPS (proprietary board up system) have concluded, resulting in consensus that the contractor is 100% responsible for site access and security during construction.				
			Anticipated start date of 1/14/08. These units should be ready for rental on or about 5/1/08.				
4th	Carmelitos Sr & Francisquito Villa Flooring Replac Tracker #: TP002341	CONTINENTAL FLOORING CO	\$599,418	\$599,418	0%	\$0	0%
			The two sample units (out of 150 total) at Carmelitos are completed. Housing Management is helping to resolve the logistics of helping the seniors pack their belongings.				
			The work will re-start after the first of the year. Once Carmelitos is completed, the Contractor will go on to replace the flooring in the 89 units at Francisquito. The work will be completed this fiscal year.				
TOTALS:			\$823,028	\$823,028	0%	\$0	

FINANCE, MANAGEMENT AND DEVELOPMENT

PUBLIC HOUSING

Los Angeles Agency Official Reviews Efforts to Reform Operations

SAN DIEGO — (By an HDR Staff Reporter) — At a session on fraud prevention and detection at the National Association of Housing and Redevelopment Officials (NAHRO) conference, Rudolph Montiel, executive director of the Housing Authority of the City of Los Angeles (HACLA), summarized his three-year effort to get HACLA back on track after a series of audits and investigations uncovered mismanagement and alleged fraudulent activity on the part of employees. HACLA is also taking steps to prevent tenant fraud, he said.

Richard S. Lujan, a commissioner with the Housing Authority of the County of Contra Costa, Calif., who moderated the session, said that the NAHRO commissioners committee may recommend that housing agencies subject key employees to annual criminal background and credit checks, though there are privacy concerns to consider.

HUD Office of Inspector General (OIG) staff members at the conference said the buck stops with housing agency boards of commissioners when it comes to preventing fraud. The first step, they said, is the adoption of a comprehensive fraud policy.

At HACLA, the mayor appointed a new board of commissioners and hired Montiel to run the agency in 2004. HACLA manages about 8,000 public housing units and 42,000 vouchers. In a series of HUD audits, the agency was found to have overleased its authorized vouchers by a substantial margin.

There were also audit findings regarding tenant eligibility and rent reasonableness. The HUD OIG also found that Section 8 staff were receiving voucher subsidies on properties they owned and often managed their own files.

Working with HUD

Montiel said that if HUD had known the extent of its problems, the agency probably would have been put into receivership. As an alternative, Montiel formed a working partnership with OIG to document fraudulent activities, said Joan S. Hobbs from the OIG regional office in Los Angeles. The OIG still makes regular visits to HACLA.

Montiel said that canceling already issued Section 8 vouchers was painful for HACLA, especially after the Los Angeles media interviewed a homeless woman who no longer had a place to live after losing her voucher.

Montiel said the program has been improved, with a current utilization rate of 96 percent, and HACLA was recently able to issue 2,000 vouchers to the homeless.

"There has to be some level of due diligence on the part of commissioners. You have to trust management

but verify as commissioners," Montiel said. "Question management and hold them accountable. If you know that you can buy a door for \$200 at Home Depot, ask why you are spending \$400 for a door, that sort of thing."

Montiel also suggested that commissioners review the measures used in HUD's Section 8 management assessment program (SEMAP) as a guide to proper administration of the voucher program. For example, commissioners should ask if Section 8 contract payments are the right amount and if rents meet the reasonableness test, he said.

Montiel also said that HACLA has replaced outdated computer software which could be used to alter tenant files without a record of who made the changes or when they occurred, a shortcoming that made fraud easier.

He said that to fight tenant fraud, HACLA may hire more investigators to verify income.

Under HACLA's current policy, if there is a discrepancy in tenant income of less than \$2,400, the tenant is counseled about the problem. If the discrepancy is \$2,400 to \$10,000, HACLA will insist on repayment over 18 months. For amounts over \$10,000, HACLA has begun to prosecute tenants under the state false claims act to obtain damages and legal costs.

Background Checks

Lujan said that corporations are more frequently requiring annual criminal and credit checks of employees. However, he stressed that corporations have also been careful in using the information and making sure they do not infringe on personal privacy rights. Lujan also said that businesses provide counseling to employees with credit problems.

An OIG investigator, James F. Todak, said that for federal law enforcement agencies, there is a comprehensive background check every five years, rather than annually. Montiel said that HACLA performs background checks on new employees but does not conduct annual reviews due to a possible conflict with state privacy statutes.

Hobbes said the OIG becomes concerned when key employees have significant debt because such people often are tempted to take kickbacks or improperly use funds.

Hobbes urged boards of commissioners to adopt a strict fraud policy so that employees know that there are severe penalties for certain activities.

According to OIG guidelines, this should be a written statement declaring the agency's commitment to preventing fraud, explaining to employees and tenants the procedures for preventing and reporting fraud. It should also identify what official should receive reports of fraud.

According to the OIG, the written statement should define what constitutes fraud and list activities that are fraudulent, such as false statements, bribery or kickbacks, false claims, and bid rigging.

COURTS

SECTION 8

Adoption of REAC Standards for Decent Housing Didn't Unlawfully Amend Existing HAP Contracts

HUD's adoption of the Real Estate Assessment Center (REAC) physical inspection system that revised the standards for decent, safe, and sanitary housing didn't unlawfully amend existing Section 8 housing assistance payments (HAP) contracts, the U.S. District Court for the Southern District of New York ruled. (*Valentine Properties Associates, LP v. HUD*, No. 05 Civ.2033(SCR), 2007 WL 3146698 (S.D.N.Y.), October 12, 2007)

The plaintiffs are owners of Section 8 projects who executed HAP contracts in 1977 and 1978, when program regulations deemed a project to be decent, safe, and sanitary if it is "maintained in a condition substantially the same as that on acceptance" by HUD. The regulations also required owners to comply with minimum property standards or other equivalent or higher standards.

Under the current regulations, REAC is responsible for assessing and scoring the physical condition of HUD properties, including Section 8 projects. Accordingly, as the court noted, the REAC standards effectively define decent, safe, and sanitary conditions. Properties also must continue to meet state and local building codes.

REAC Applicability Challenged

The project owners filed suit, seeking a declaratory judgment that HUD's application of REAC to existing HAP contracts and HUD's attempt to terminate those contracts based on REAC are illegal and violate the terms of the HAP contracts and the Fifth Amendment.

Specifically, the plaintiffs alleged that REAC unlawfully amends the HAP contracts; REAC unlawfully abridges plaintiffs' contractual and constitutional right to notice and an opportunity to cure alleged building deficiencies; HUD's adoption of two different definitions of decent, safe, and sanitary is arbitrary and capricious as REAC inspections are applied only to certain types of Section 8 contracts; HUD's attempt to apply REAC to terminate plaintiffs' pre-1980 HAP contracts is barred and illegal under HUD's own regulations; HUD's REAC inspections of plaintiffs' buildings as implemented were defective; and the REAC rules violate federal requirements for the adoption of regulations.

In this opinion, the court considered HUD's motion to dismiss.

Court Ruling

The court first granted the motion to dismiss the claim for unlawful abridgment of the plaintiffs' contractual and constitutional rights, finding that the claim wasn't ripe.

The plaintiffs argued that their claim was ripe because of the imminent threat of the termination of their HAP contracts, while HUD asserted that the claim wasn't ripe because the contracts could only be terminated if the plaintiffs fail their initial REAC inspections and a follow-up inspection and if the department then decides to terminate them.

Agreeing with HUD, the court said that the plaintiffs face little hardship in waiting for further inspections and that the threat of contract termination doesn't make the claims regarding the procedures for termination ripe.

"The issues pertaining to procedures used to terminate Plaintiffs' contracts are not yet fit for judicial decision as further factual development is necessary for this Court to deal with the legal issues presented," the court said.

The court also dismissed for lack of standing the claim that the REAC inspections which already occurred were defective, agreeing with HUD that the plaintiffs have not suffered a cognizable injury. "As Defendant HUD has agreed not to terminate Plaintiffs' HAP Contracts on the basis of those inspections," the court said, "there is no injury and this claim is dismissed."

Other Claims

Considering the plaintiffs' remaining claims, the court noted that HUD's Rule 12(b)(6) motion to dismiss for failure to state a claim addressed only the claim that the HAP contracts were unlawfully amended by requiring plaintiffs to comply with the new REAC standards for decent, safe, and sanitary housing.

Accordingly, the court said the claims relating to HUD's adoption of two definitions of decent, safe, and sanitary, HUD's attempt to apply REAC to terminate the pre-1980 HAP contracts, and the procedures for adoption of the REAC regulations survived the motion to dismiss.

Considering the question of whether HUD may change the housing standards, the court looked to the Supreme Court decision in *Cisneros v. Alpine Ridge*, 508 U.S. 10 (1993), for guidance in contract interpretation.

In *Alpine Ridge*, the Court upheld HUD's authority under the HAP contract to modify its rent adjustment procedure by using rent comparability studies, finding that the applicable statutes gave the government the necessary discretion.

Housing Standards

In this case, the plaintiffs argued that by changing the definition of a key term in the HAP contract, HUD changed the contract. In response, HUD argued that the standards for decent, safe, and sanitary housing have not been changed, but that nothing in the HAP contract prevents the government from changing the standards.

The court noted that the HAP contracts don't define decent, safe, and sanitary, instead incorporating the regu-

latory definition, which has been revised to require compliance with the REAC standards.

Like the Court in *Alpine Ridge*, the court here also concluded that the applicable statutes and contract language gave HUD the discretion to amend the standards for decent, safe, and sanitary housing. Accordingly, the court granted HUD's motion to dismiss the plaintiffs' claim that the department violated the terms of the HAP contracts by revising the standards.

RURAL HOUSING

Section 515 Owner Can't Prepay Loans Without Following ELIHPA

A Section 515 project owner cannot prepay her loans unless she complies with the provisions of the Emergency Low-Income Housing Preservation Act (ELIHPA), ruled the U.S. District Court for the District of Oregon. (*Schroeder v. United States*, No. 06-CV-818-SU, 2007 WL 3028432 (D.Or.), October 17, 2007)

Plaintiff Alberta Schroeder brought a suit to quiet title when she tried to prepay the balance of two loans in April 2006. The government refused prepayment because plaintiff did not comply with the procedures in ELIHPA, which Congress enacted to restrict prepayments that would result in a loss of needed low-income housing.

The magistrate judge recommended allowing Schroeder to prepay the loans. The 20-year term for required use of the property as low-income housing expired on September 1, 2004, but the Rural Housing Service (RHS) insisted that Schroeder comply with ELIHPA procedures governing prepayment.

The magistrate concluded that equity favored granting Schroeder's claim. "Unlike the government, plaintiff fulfilled her contractual obligations," and she submitted evidence that converting her property would not leave local residents without low-income housing options, the magistrate judge said in his opinion.

He concluded that Schroeder's only alternative action, if the court denied her motion, would be filing a new action for breach of contract, which would add delay, expense, and uncertainty to her effort to be relieved of the burden of managing the property.

The magistrate judge also said that denying her relief would "reward the government for repudiating its contractual obligations."

Court Ruling

The federal district court reviewed the decision *de novo* and emphasized Congress' goals in enacting ELIHPA. A suit to quiet title is an equitable proceeding, which requires the court to balance the equities of the parties. The court requested information from the parties about the effect of granting Schroeder's motion.

After reviewing their responses, additional amici curiae briefs from the Oregon Law Center and the National Housing Law Project, and the record *de novo*, the court concluded that equity did not favor granting Schroeder's motion.

The court noted its action would require Schroeder to

comply with the terms of ELIHPA before the government accepts her prepayment. It concluded that the "importance of preserving that which ELIHPA seeks to preserve (i.e., a reduction in Section 515 mortgage repayments, a reduction in the loss of low-income housing units, and a reduction in the displacement of Section 515 residents) outweighs the burden to Plaintiff of complying with ELIHPA."

The court also noted that if Schroeder cannot or will not comply with ELIHPA, she can seek compensation under the Tucker Act for breach of contract.

Accordingly, despite the recommendation of the magistrate judge, the court declined to order the government to accept prepayment of Schroeder's loans in violation of the terms of ELIHPA.

MORTGAGE FINANCE

Court Reverses Deficiency Judgment, Remands Case for Resolution of Conflicting Provisions on Liability

The District of Columbia Court of Appeals reversed a deficiency judgment against the National Housing Partnership (NHP) in connection with the foreclosure on a HUD-regulated affordable housing project, remanding the case for trial to resolve two conflicting contractual provisions on liability. (*National Housing Partnership v. Municipal Capital Appreciation Partners I, L.P.*, Nos. 03-CV-1080, 05-CV-62, 03-CV-1253, 05-CV-32, 2007 WL 3194090 (D.C.), November 1, 2007)

NHP acquired the Kimberly Gardens project in Laurel, Md., in 1984. As part of the purchase price, NHP agreed to give the seller a secured, 10-year note for \$1,401,600, with all payments of principal and interest at 9 percent to be deferred until the end of the loan term. The purchaser had an option to extend the note for an additional five years, which was subsequently exercised.

Prior to the closing, NHP assigned its rights under the purchase agreement to Kimberly Associates Limited Partnership (KALP). NHP was the general partner and one of the two limited partners of KALP.

The security agreement, executed by NHP, provided that in the event of default, the seller would be entitled to foreclose on NHP's partnership interests in KALP; its rights with respect to KALP; and all monies owed to NHP by KALP in order to satisfy the outstanding debt.

About two years before its maturity date, Municipal Capital Appreciation Partners I, L.P. (MCAP) acquired the note from the seller.

Foreclosure

When the note came due, NHP decided to cause KALP to default, rather than pay off the note. MCAP sent NHP a notice of foreclosure on the collateral and advertised the sale in the *Washington Post*.

While not objecting to the foreclosure arrangements, NHP disagreed with MCAP as to whether the foreclosure would extinguish NHP's right to be repaid about \$3 million in partnership loans to KALP. Accordingly, NHP filed

units in earlier phases, Crown Point had to propose an increase for the fifth phase, which the city council rejected.

Crown Point subsequently filed suit pursuant to 42 U.S.C. Section 1983, alleging a substantive due process claim. Crown Point argued that the city arbitrarily interfered with its property rights by denying its application without any supporting evidence and under circumstances forced by the council's own prior actions.

The city moved to dismiss on the grounds that well-settled law in the Ninth Circuit does not allow substantive due process claims when the interest at stake is real property.

In support of its argument, the city cited *Armendariz v. Penman*, 75 F.3d 1311 (1996), in which the Ninth Circuit held that the Fifth Amendment's takings clause subsumes substantive due process claims. The district court agreed that *Armendariz* controlled and granted the city's motion.

Court Ruling

On appeal, Crown Point argued that it should be allowed to proceed with its substantive due process claim because the U.S. Supreme Court ruled, in *Lingle v. Chevron U.S.A. Inc.*, 544 U.S. 528 (2005), that a property owner's challenge to a regulation that does not substantially advance legitimate interests is grounded in due process, not the takings clause.

Recounting the record of prior decisions, the Ninth Circuit noted that in *Macri v. King County*, 126 F.3d 1125 (1997), it held that a claim arising out of an application to subdivide property which the owners alleged was denied without substantially advancing a legitimate public purpose was actually a takings claim, not a claim lying solely in substantive due process.

The court said its *Macri* ruling was based on the Supreme Court holding, in *Agins v. City of Tiburon*, 447 U.S. 255 (1980), that a land use restriction that doesn't substantially advance legitimate state interests constitutes a taking.

"In other words," the court explained, "our pre-*Lingle* view was that a regulation that does not 'substantially advance legitimate state interests' is a taking under *Agins*, and if it is a taking, then it follows from *Armendariz* that the Fifth Amendment's Taking Clause is the specific textual source of protection against such conduct."

Impact of *Lingle*

However, the court said, this understanding of *Agins* was rejected by the Supreme Court in *Lingle*, where the Court held that the "substantially advances" formula actually prescribes a due process, rather than a takings, test.

"In this, *Lingle* pulls the rug out from under our rationale for totally precluding substantive due process claims based on arbitrary or unreasonable conduct," the court said.

Moreover, the court added, the Supreme Court subsequently ruled, in *County of Sacramento v. Lewis*, 523 U.S. 833 (1998), that a constitutional claim involving physically abusive government conduct may be brought under the due process clause if it is not covered by a specific

provision, such as the Fourth or Eighth Amendment.

"Applying the *Lingle* rule to land use, the Fifth Amendment would preclude a due process challenge only if the alleged conduct is actually covered by the Takings Clause," the court explained. "*Lingle* indicates that a claim of arbitrary action is not such a challenge."

Accordingly, the court said, "[w]e now explicitly hold that the Fifth Amendment does not invariably preempt a claim that land use action lacks any substantial relation to the public health, safety, or general welfare. Therefore, we must reverse, as the district court dismissed Crown Point's claim solely on the authority of *Armendariz*."

The court remanded the case for the district court to determine whether Crown Point has stated a claim and to consider related issues, such as whether the claim is ripe. "As to these points," the court added, "we express no opinion."

PUBLIC HOUSING

PHA Can Evict Tenant for Drug Activity in Apartment, Despite Lack of Knowledge

The New Jersey Superior Court, Appellate Division, held that a local housing authority had the discretion to evict a public housing tenant based on drug activity occurring in her apartment, even if she had no knowledge of the activity. (*Long Branch Housing Authority v. Villano*, 2007 WL 2935405 (N.J. Super. A.D.), October 10, 2007)

The Long Branch Housing Authority (LBHA) appealed from a judgment denying its eviction of defendant Toni Villano. Villano, a five-year tenant of LBHA, signed a lease with a "one-strike" provision. She was obligated to ensure that no drug-related criminal activity occurred on public housing premises by any member of her household, a guest, or other person under her control.

Based on extensive information that drug activity was taking place in Villano's apartment, the police made several undercover controlled buys of narcotics at her unit, which resulted in the arrest of L.A., Villano's daughter's boyfriend, who police believed occasionally resided in the apartment with his girlfriend. The police found drugs and drug paraphernalia in several rooms of the apartment. Villano was present at the time of the drug bust.

At trial, the authority stated that the criminal activity in Villano's apartment was sufficient grounds for her eviction. Villano testified that she had no knowledge of the activity and could not control others' actions. She claimed she was "going down" because the police were after L.A.

Trial Court Ruling

The trial court found Villano's testimony credible. The trial judge considered the LBHA's complaint under a provision of the state anti-eviction statute that allows a landlord to evict a tenant who is found in a civil action to have committed an offense under the state Comprehensive Drug Reform Act.

The trial judge said the authority did not present any evidence that Villano committed a drug-related offense

and concluded that she had not knowingly harbored a person who committed a drug offense. The judge said the "principal factor here is the time frame."

The court noted that Villano had been a model tenant for five years, while the police executed three controlled drug buys during two days and arrested a person who is not a family member. In the trial court's view, LBHA did not show "by a preponderance of evidence" that Villano knew about the drug activity in her apartment.

Ruling on Appeal

On appeal, LBHA argued that the trial court erred because the authority had complete discretion to evict a tenant for drug-related criminal activity, regardless of her knowledge.

The court agreed, noting that the trial court should have referenced that part of the state drug act that specifically applies to evictions of public housing tenants whose lease terms are subject to federal guidelines.

The court noted that the U.S. Supreme Court, in *HUD v. Rucker*, 535 U.S. 125 (2002), resolved the issue of whether a public housing agency may evict a tenant who is not at fault based on the drug-related activities of a household member or guest, holding that PHAs have discretion to evict such tenants.

The court reversed the ruling of the lower court and remanded the matter to the trial court to determine whether LBHA established grounds for eviction under state law. Specifically, the court directed the trial court to determine whether Villano substantially breached a section of her lease regarding the use of illegal drugs and whether the relevant lease terms conform to applicable federal guidelines.

The court noted that public housing agencies are not required to evict all tenants in such cases. HUD regulations give housing authorities the discretion to consider all circumstances of the case before eviction. The court said LBHA might wish to reconsider its determination in light of the evidence presented at trial.

SECTION 8

Statute of Limitations Bars Claims Against PHA for Blocking Tenant's Opportunity to Purchase Home

A Section 8 tenant waited too long to bring claims against the Boston Housing Authority (BHA) for taking actions that thwarted her opportunity for homeownership, ruled the U.S. District Court for the District of Massachusetts. (*Randal v. Boston Housing Authority*, Civil Action No. 06-12120-RWZ, 2007 WL 3104758 (D.Mass.), September 19, 2007)

Plaintiff Lolanda Randal, a recipient of Section 8 assistance and an employee of the BHA, was a successful participant in a housing lottery to purchase an affordable home. She executed appropriate agreements, made a deposit on the home, and held the exclusive right to purchase the home until March 14, 2003.

Randal intended to finance the purchase partly through

BHA's Section 8 homeownership program. About February 26, 2003, the BHA's administrator, Sandra Henriquez, notified Randal that because she was an employee, the authority planned to transfer the administration of Randal's Section 8 assistance to the Metropolitan Boston Housing Partnership (MBHP). However, if MBHP did not have a homeownership program, BHA would place her with a housing authority that did.

Nevertheless, in a March 3, 2003, letter, BHA informed Randal that it was transferring administration of her Section 8 assistance to MBHP, which did not have a homeownership program. As a result, Randal was not eligible to exercise her option to purchase the home.

Randal filed a complaint against BHA on November 22, 2006, alleging state and federal constitutional violations and contract violations. BHA moved to dismiss on statute of limitations grounds, and the court urged a settlement, but the parties reached an impasse.

Statute of Limitations

The court addressed the statute of limitations issue regarding each alleged violation. Randal filed a claim under 42 U.S.C. Section 1983, alleging a violation of procedural due process under federal and state constitutions.

The parties agreed that the statute of limitations for this claim is three years according to the state tort statute of limitations. Randal's claim of tortious interference with contractual relations also is subject to a three-year statute of limitations.

Although the statute of limitations is determined by state law, the date of accrual is a federal question. A claim accrues when an aggrieved party knows or should know about the injury that is the basis of her claim.

Randal did not dispute that her claims accrued, at the latest, on March 14, 2003, when she lost the opportunity to exercise her purchase option. However, she argued that BHA is equitably estopped from asserting the statute of limitations or that the statute should be equitably tolled.

Equitable Estoppel

The court explained that federal equitable estoppel principles apply to Section 1983 claims. To assert this claim, Randal must show that BHA made a definite misrepresentation to Randal's detriment and reasonable reliance. Randal argued that she delayed filing suit because she reasonably relied on Henriquez' statement that BHA would not transfer administration of her Section 8 assistance to a housing agency that did not participate in a housing purchase program.

The court did not address whether Henriquez' statement was a true misrepresentation; rather it focused on the timing of the statement. The court said Randal's "reliance on a single statement, made prior to the accrual of her claims, is unreasonable as a matter of law." Therefore, the BHA was not equitably estopped from asserting a statute of limitations defense to Randal's Section 1983 claims.

Massachusetts' equitable estoppel law also applies to Randal's state law claim of tortious interference. It re-

Cns 11/22/07

Hotline Investigations

LOS ANGELES (CNS) - A Los Angeles County hotline has yielded tips that have led to hundreds of employee fraud and theft investigations over the past six months, the Los Angeles Times reported today.

Based on the information left on the county's hotline, officials opened 348 investigations into alleged employee wrongdoing and substantiated 73 cases, The Times reported.

The six-month report released by the county included allegations of theft, fraud, lying, failing to report outside employment and downloading pornographic material at work, The Times reported.

In one case a welfare worker stole more than \$4,000 in bus tokens earmarked for foster children. A second welfare employee falsely claimed her father had died and then pocketed money donated to her in sympathy. And the third most serious case involved a retirement agency worker who fraudulently claimed nearly \$90,000 in welfare benefits, The Times reported.

The hotline has so far produced three criminal convictions. Four more cases were referred to the district attorney's office for possible prosecutions. Nine employees have either been fired or put on notice they would be. Six were suspended and six more resigned or retired, The Times reported.

"It doesn't reflect well on the county, but it's hard to make people understand that when you have 100,000 (workers), some people go bad on you," Los Angeles County Auditor-Controller J. Tyler McCauley told The Times. McCauley's office runs the fraud hotline.

The welfare worker who stole the bus tokens pleaded guilty to felony theft, and was sentenced to three days in jail and three years probation, Department of Children and Family Services Director Patricia S. Ploehn told The Times.

Another successful prosecution from the hotline involved Rita Kay Brown, 52, a retirement specialist who worked for the Los Angeles County Employees Retirement Association, the agency that manages the \$43-billion pension fund for most county workers.

Brown was accused of using a false identity to fraudulently claim \$89,522 in welfare money, food stamps and medical benefits. She was convicted in June and sentenced to 16 years in prison, James Baker, assistant head deputy of the district attorney's welfare fraud division told The Times.

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NAHRO Monitor: November 30, 2007

Executive Director's Message: The Road to Recovery

The road to recovery from misfortune is always difficult, but two years later, communities that were impacted by hurricanes Katrina and Rita are still struggling to regain their footing. While there are many reasons for this -- after all, given the scale of the damage, years of reconstruction are undoubtedly in the city's future -- the struggle for many small and mid-size communities in Louisiana, Alabama and Mississippi is just as real today as it was the day after the disasters. Much-needed housing for the most disadvantaged remains boarded up. The federal government has been slow to respond and has bounced local housing authorities like ping pong balls between HUD, FEMA and state agency funding intermediaries.

A good deal of the rebuilding that has occurred in these communities has been cobbled together by resourceful executive directors and willing volunteers. NAHRO, with its partners Fannie Mae, Local Initiative Support Corporation (LISC) and MD Strum, has helped fill the breach created by HUD and FEMA. One example is the Long Beach Housing Authority in Mississippi. We coordinated two volunteer visits to help rebuild their public housing inventory by re-roofing their units and community center, repairing fences and providing much-needed landscaping work. The volunteers did not stop there. On our second stop, just down the road, they joined over a hundred local volunteers to build a full playground at the Biloxi Housing Authority's HOPE VI site -- itself just recently re-opened to residents after being destroyed by Katrina.

A leader that steps up from the get-go usually embodies an effort of this magnitude. The personification in this case is NAHRO's President Emeritus, Don Cameron, the Executive Director of the Housing Authority of the City of Charleston, S.C. Don was first to contact our affected members to see if we could help. Under his leadership, we mobilized a communication network that linked our state chapters and region to coordinate with national NAHRO our first response efforts to clean up and rebuild in the wake of the devastation.

Simultaneously, we reached out to HUD and FEMA in Washington, D.C., offering our member network to assist in the initial response to emergency housing needs. As the days passed, we realized that

readily-accessible assistance from them would be slow in arriving. The days turned into weeks. Still, Don would not let up. He encouraged members who weren't affected by the hurricanes to open up their developments — and true to form, our members stepped up.

All along the way, President Emeritus Cameron led by example. He toured much of the area and visited impacted housing authorities. He inventoried their needs in order to ensure that NAHRO's resources and members could respond effectively to both the short and longer-term strains on the impacted housing authorities. He also participated in our first volunteer effort in Long Beach.

During the early stages of the federal response, NAHRO worked with FEMA and HUD to create a temporary housing assistance program for low-income families, especially those already receiving assistance who had been displaced because of the hurricanes. There were many starts and stops in assembling FEMA's and HUD's efforts in this regard. Along the way, HUD said they had no money to pay for rebuilding public housing and FEMA said it could not help without HUD's okay. We are at a standstill. Despite unwavering support from Congressman Barney Frank in resolving the reconstruction question for public housing, his efforts have fallen on deaf ears. NAHRO is committed to see this resolved and fully supports Chairman Frank in that regard.

Regrettably, both HUD and FEMA appear not to be willing participants in rebuilding much-needed assisted housing. This in the face of having thousands that continue to remain displaced from their communities and neighborhoods.

If it were not for volunteers, willing corporations and not-for profits, the rebuilding efforts throughout the region would be stalled even more than they have because of the bureaucratic quagmire perpetuated by HUD and FEMA. NAHRO thanks our partners and the many volunteers for the gift of their time and treasure in restoring homes and hope. On a personal note, thank you Don for your leadership in these and the general business of NAHRO over the past two years. Your courage, perseverance and dedication are an example to all.

Assistant Secretary Cabrera Resigns

Orlando Cabrera, who has served as HUD's Assistant Secretary of Public and Indian Housing since November 2005, has announced his resignation effective January 4, 2008. Although there has been no

formal announcement from the department, Mr. Cabrera's letter of resignation to President Bush and Secretary Jackson has been made public.

In the letter, addressed to President Bush and dated November 9, Mr. Cabrera writes, "As I depart HUD, I am certain that history will recognize your administration's many successes in the area of public and Indian housing such as the creation of thousands of new homeowners among Section 8 voucher holders and Native Americans, moving public housing authorities into the age of metrics so that they may better serve low income people in America's communities, housing tens of thousands of Gulf Coast storm victims in the aftermath of the hurricanes and today, creating a national housing locator that will serve Americans displaced by natural disasters in the future, and paving the way for public housing authorities to make decisions that better help them serve low income Americans."

"Although we haven't always agreed on the issues, NAHRO has had a good working relationship with Mr. Cabrera," said NAHRO Executive Director Saul Ramirez. "We wish him the best in his future endeavors."

Mr. Cabrera has not announced his future career plans. Prior to his current position, Mr. Cabrera served as the Director of the Florida Housing Finance Corporation (HFC). Mr. Cabrera also served on the Board of Directors of the National Council of State Housing Agencies and the Southeast Regional and North Florida Fannie Mae Partnership Advisory Board. Before joining Florida HFC, Mr. Cabrera was a partner with Holland & Knight, LLP in the firm's Miami office.

House, Senate Address HUD Section 8 Shortfalls

Following last month's hearing before the Housing Subcommittee on Housing and Community Opportunity, seven members of the full Committee wrote a bi-partisan letter (www.house.gov/apps/list/press/financialsvcs_dem/20071108160311374.pdf) to HUD Secretary Jackson and James Nussle, Director of the Office of Management and Budget (OMB), expressing concern about late payments, truncated contract funding terms in the project-based Section 8 program and insufficient funds to pay for the program. The members requested that HUD provide transparent budget information regarding funding for housing assistance program renewal costs for FY 2008 and FY 2009. They also asked that the administration make recommendations for resolving the potential shortfall.

pecifically, the members wrote, "To the extent that the current FY 2008 administration budget is inadequate to meet this need, we ask the administration to make budget recommendations to resolve this inadequacy. There are a number of different potential options for resolving this shortfall, including: (a) resolving the legal issues that caused HUD to change its legal opinion this year, (b) requesting a supplemental emergency amount for FY 2008 (and making an adequate renewal request for FY 2009), or (c) requesting an advance appropriation for FY 2009 to cover the budget authority for the portion of contracts executed in FY 2008 that will be paid out in FY 2009."

Days earlier, Democrats on the Senate Banking Housing and Urban Affairs Committee wrote a letter (www.nahro.org/members/news/2007/1107_sen_approps.pdf) to the Chairs and Ranking Members of the Senate Appropriations Committee and Subcommittee. They wrote, "We are concerned with recent analysis that demonstrates that the President's budget significantly underestimated the funding needs for project-based Section 8 renewals by over \$2 billion, and we urge you to address this matter in the upcoming Conference on the TTHUD legislation."

Citing concerns that this funding shortfall may force owners to opt out of the program, the senators wrote, "We are extremely disappointed that the Administration has not come forward with a realistic estimate of needs in this program, nor have they found an adequate solution. In the absence of Administration action, we urge you to do the following to rectify the current funding shortfall: (1) recede to the House appropriations level for this program at Conference; and (2) provide and advance appropriations for the remaining funds needed to fully fund the program."

During a March 1 hearing with Secretary Jackson before the House Appropriations Subcommittee on Transportation, HUD and Related Agencies on the President's proposed FY 2008 budget, Ranking Member Knollenberg (R-Mich.) said, "The rescission of excess Section 8 funds, which routinely exceeded \$2 billion per year, is now gone, with tenant-based funds diverted to other PHAs, and project-base renewals so short of cash that we had to add \$900 million over the requested amounts in 2007, just to make sure we paid the landlords what they were owed. The continued commitment to rescind funds in the 2008 budget, in my opinion, is nothing more than a thinly veiled demand by OMB for HUD to meet a specific budget target."

For a full transcript of the March 1 hearing, see
www.nahro.org/members/news/2007/030107_tthud_hearing.pdf.

Lange Award Winner Discusses Housing

Dr. Tom Manion, winner of NAHRO's 2007 Lange Award for his commitment to housing and Chief Executive of Irwell Valley Housing Authority in Manchester, UK, spoke before NAHRO's International Committee at its October meeting in San Diego. He shared his philosophy about housing and managing his agency in England. "Money invested in housing is undervalued when you sort out the most difficult issue to address, which is bad behavior in the neighborhood," Manion said.

"A home is not enough. People need hope, motivation and a future, not just a housing choice." Manion asserted that housing needs to be connected to other programs—building buildings and rehabbing houses is simple compared to dealing with people and neighborhoods. Manion's agency is even thinking of opening their own school to combat the idea that school is not cool.

"You have to look at your resources and people and commit to treat people with dignity," Manion said. "It works if you treat people in ways they want to be treated." As an example, Manion discussed his agency's tiered system of service based on the behavior of their residents. If residents meet a certain criteria, they receive standard service, but if their behavior warranted it, they received either gold or solid gold service. Manion implemented this same system with his staff, who receive different wages based on performance. "You need to be open and transparent and try to take away all excuses to justify failure," he said.



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SAGIS is part of HUD's new \$800 million computer system assembled by competing contractors under a joint agreement reached after a protracted battle between EDS Corp. and Lockheed Martin Corp for the lucrative project.

A *HAL* call to HUD's publicity office asking how many PHAs are affected, and if computer contractors have any financial culpability, was not answered before press time.

HUD Morale Plummets Over Probe

A siege mentality has set in at HUD's 10th floor executive suite that is casting a pall over all of the department's operations. It results from the intensive investigation into Secy. Alphonso Jackson's handling of contracts with private vendors.

Sources tell *HAL* the fallout from executive departures and other activities subsequent to public disclosure in early October (*HAL*, 10/5p1) of the scope of the FBI, Justice Dept., grand jury and HUD inspector general investigations have scrambled HUD's day-to-day activities, complicating Deputy Secy. Roy Bernardi's effort to keep the department on an even keel and prompting speculation he may be the next senior official to leave and seek political office in New York, his home base.

At least one departed executive has hired an attorney, and senior Republicans, aware of Jackson's close friendship with President Bush, are trying to get the word to the secretary to step down rather than drag the political party through a legal maelstrom in what is amounting to a crucial election year for the GOP.

But Jackson appears to be bunkering in with Bush's tacit support, making few public appearances and bowing out early when he does to escape questioning.

Meanwhile, outgoing Public & Indian Housing (PIH) Asst. Secy. Orlando Cabrera attempts to douse political fires surrounding his planned Jan. 4 departure (*HAL*, 11/16p2).

In a heated Nov. 29 letter to a trade news writer, Cabrera scoffs at inferences that he is leaving because of the investigations and his office's role in them.

Cabrera, PIH head for the last two years, tells the writer he had planned to resign in September "but I stayed on because there were specific obligations that I knew I had to finish as leaving them undone would have been a disservice and wrong."

Cabrera's second departure target, Dec. 14, was set back to Jan. 4 because of FY 2009 budget preparations, *HAL* is told.

While Cabrera attempts in his letter to allay assumptions his departure is nothing more than a desire to return to his Florida home base, his timing raises questions.

Saying those who know him "have known for the better part of eight months that I intended to leave," Cabrera places advent of his departure planning at the time the investigations began to roil HUD. His planned September departure coincided with pending public disclosure of the probe, after investigators fanned out across the country to look at the department's activities, including areas directly under his purview.

HAL sources say investigators are looking closely at how the PIH handled the department's takeover of the Housing Authority of New Orleans and possible political favoritism of executives put in place to run the agency. The probe is said to involve executive placements and contract favoritism in the wake of Hurricane Katrina as well.

While Cabrera says he planned to leave earlier, his first official move was a Nov. 9 resignation letter to President Bush and Jackson, a week before his role in a Virgin Islands contract surfaced publicly in a *National Journal* story.

Cabrera remains caught in political cross-hairs over the naming of a Jackson crony to head the Virgin Islands Housing Authority (VIHA). The Atlanta lawyer and founder of the now-defunct black-owned airline, Air Atlanta, was hired on a no-bid basis. The Federal Procurement Data System shows the Jackson friend was paid about \$1 million as VIHA executive administrator.

Sources say second- and third-tier executives worry they may be scapegoated in the probe. So far, investigators are said to be looking only at Jackson's role in a possible lie to Congress over HUD contracting while deputies handled the specifics.

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INDICATORS

Long-Term Rates Continue To Fall

The 30-year fixed-rate mortgage averaged 6.10%, down from last week when it averaged 6.20%.

The five-year adjustable-rate mortgage averaged 5.86%, down from last week's 5.88% average. The one-year ARM averaged 5.43%, up from last week when it averaged 5.42%.

"Interest rates for U.S. Treasury securities have been drifting lower this month over market concerns that the housing slump and stress in the credit markets could slow future economic growth," says Frank Nothaft, Freddie Mac vice president and chief economist. "As a result, interest rates for fixed-rate mortgages had room to slip lower this week."

HOUSING AFFAIRS RATE WATCH

PRIMARY MORTGAGE MARKET

Commitment Rates	10/25	11/1	11/9	11/16	11/30
Fixed Rate	6.33	6.26	6.24	6.24	6.10
Fees & Points	0.5	0.4	0.4	0.4	0.5
15-yr. FRMs	5.99	5.91	5.90	5.88	5.73
Fees & Points	0.6	0.4	0.5	0.4	0.5
1-yr. ARMS	5.66	5.57	5.50	5.50	5.43
Fees & Points	0.6	0.6	0.6	0.5	0.7

SECONDARY

FNMA					
30-yr. FRM*	6.06	6.18	6.18	6.14	5.934
FHLMC					
30-yr. *	6.00	6.02	6.15	5.98	5.81

*Required Net Yields, 30-Day Delivery

Info: FHLMC, 703/903-2446; MBA, 202/557-2737

STATE & LOCAL

Church Rehabs Former HUD Housing

Illinois: St. Edmund's Episcopal Church in Chicago completes rehabilitation of a former HUD-owned seven-building public housing complex.

The 56-unit mixed-income development cost 10.7 million to provide 22 three-bedroom and 34 four-bedroom units in the city's Washington Park neighborhood.

The project by the church's housing rehabilitation ministry represents the first sale of scattered public housing sites in the city to a nonprofit community development organization.

The land, owned by the Chicago Housing Authority (CHA), will be leased to St. Edmund's Redevelopment Corp. CHA will lease back 14 of the units for public housing residents while 31 units will be targeted toward low- to moderate-income families. Eleven units will be market rate.

Deals Offered On Foreclosed Homes

North Carolina: Police, firefighters and teachers in Charlotte can buy foreclosed houses at a discount under HUD's Good Neighbor Next Door Program.

The program is designed to improve neighborhoods hit by vacancies and dropping property values. HUD posts photos of houses on its Web site it will sell for half of the listed price.

The deal applies only to service workers and the buyers must live in the houses for three years.

Charlotte joined the growing list of cities in the program—Houston, Denver and Chicago among them—after HUD solicited city officials in May, following a 62%

increase in foreclosures over last year in Mecklenburg County.

Foreclosure Prevention On Wheels

Nevada: Senate Majority Leader Harry Reid (D-NV) prompts creation of five Foreclosure Mobile Resource Centers to help constituents in trouble with their mortgages avert foreclosure.

The mobile centers are set up in Douglas, Washoe, Elko, Clark and Nye counties. The focus of the Reid effort is to persuade troubled homeowners to talk with their lenders to work out a solution.

Representatives from HUD and the Mortgage Bankers Assn. joined several mortgage lenders in the effort.

* Indianapolis Keeps National Title

Indiana: Indianapolis maintains its standing as the cheapest housing market in the nation for the ninth consecutive time.

The Nat'l Assn. of Home Builders/Wells Fargo Housing Opportunity Index accords the city its most affordable major U.S. housing market designation for the third quarter of 2007.

During the quarter, 87.5% of the houses sold in the city were affordable to families earning the area's median household income of \$63,800.

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GLORIA MOLINA TO CELEBRATE FIRST 'GREEN' HOME IN EAST LOS ANGELES

WHO: Los Angeles County Supervisor Gloria Molina
Equal Housing Opportunity Program (EHOP) Director William Jones
EHOP Southern California Director Jeffrey Schaffer

WHAT: Celebration and viewing of the first "green" home in East Los Angeles.

WHEN: Wednesday, December 5, 2007 at 9:30 a.m.

WHERE: Home of Ms. Margarita Ibarra
520 South Arizona Avenue
Los Angeles, California 90022

DIRECTIONS: From City Hall take First Street east, then turn right on Mednik Avenue going south. Pass Third Street, at which point Mednik Avenue becomes Arizona Avenue. Pass Fourth Street and pass Eagle Street. The home will be on your left-hand side. Park on the street.

BACKGROUND

L.A. County Sup. Gloria Molina and will join scores of residents, planners, and environmental activists to celebrate and view the first "green" home in East Los Angeles. It is owned by Ms. Margarita Ibarra, who received a \$20,000 grant via the L.A. County Community Development Commission's (CDC) "Green Grant Program" to improve the energy efficiency of her home. This includes energy-efficient windows and insulation. It also includes solar panels and a 3kW photovoltaic system that generates electricity and eliminates 5,549 pounds of carbon dioxide emissions each year. **When electricity is not used in Ms. Ibarra's house, the electricity flows back into the grid causing the energy meter to go in reverse.** Families participating in the Green Grant Program typically save between 30 to 80 percent on their energy bills within a year—and even receive credit on electrical bills. Homeowners living in unincorporated neighborhoods who have annual incomes not exceeding 80 percent of the median income are eligible to receive Green Grant Program funds on a first-come, first-served basis. The program is federally funded and administered by L.A. County's CDC via EHOP. The total annual budget for the program is \$600,000. For more information on the specifics of the Green Grant Program, call Ms. Patricia Mejia of EHOP at (213) 833-7988 ext. 24 or go to www.enterprisecommunity.org.

—End—

Earthtimes.org (Press Release)

New Program Offers Solar and Energy Enhancements to Homeowners in East Los Angeles

Posted on : 2007-12-05 | Author : Enterprise
News Category : PressRelease

LOS ANGELES, Dec. 5 /PRNewswire/ -- Enterprise Home Ownership Partners (EHOP), a program sponsored by Enterprise Community Partners that provides affordable housing to low- and moderate- income first-time homebuyers, today showcased the first house retrofitted with photovoltaic panels (solar panels), ceiling and under floor insulation and a tankless water heater through the new Green Grant program designed for homeowners in unincorporated East Los Angeles.

Through Community Development Block Grant funds allocated to the First Supervisorial District, EHOP was granted \$600,000 from Los Angeles County Superintendent Gloria Molina to help low-income homeowners in her district to rehabilitate their homes with energy-efficient improvements at no cost to the resident.

"This fantastic program makes greening your home affordable," says Supervisor Molina. "Many homeowners are quite willing to install photovoltaic units -- but the cost is simply prohibitive. Through this program, we hope to eliminate that financial impediment and get more homeowners to 'go green'."

After a qualified resident has applied and been allotted a Green Grant, the home is inspected to determine whether the solar panels, ceiling and under floor installation or the tankless water heater would offer the most energy-efficient benefit.

"EHOP has served Los Angeles families with limited resources by helping them achieve homeownership opportunities," says William Jones, director of EHOP -- Los Angeles. "With this Green Grant, however, we can help those same families save up to 50 percent on their energy bills and that will keep more of their resources in their households."

Enterprise in Los Angeles is leading the way in assisting to build sustainable, environmentally-friendly and affordable homes through different programs and initiatives. This installation will mark the 50th solar installation completed overall by Enterprise in the Los Angeles region.

Enterprise is a leading provider of the development capital and expertise it takes to create decent, affordable homes and rebuild communities. For 25 years, Enterprise has pioneered neighborhood solutions through public-private partnerships with financial institutions, governments, community organizations and others that share our vision. Enterprise has raised and invested \$8 billion in equity, grants and loans to help build or preserve 225,000 affordable rental and for-sale homes to create vital communities. Enterprise is currently investing in communities at a rate of \$1 billion a year.

Visit <http://www.enterprisecommunity.org/> and <http://www.enterprisecommunity.com/> to learn more about Enterprise's efforts to build communities and opportunity.

presstelegram.com

Long Beach Council to weigh rights of renters

Housing group says stock of available rental accommodation is far lower than previously estimated.

By Paul Eakins, Staff writer

Article Launched: 12/09/2007 09:41:06 PM PST

ADD YOUR VOICE

What: Long Beach City Council meeting **When:** 5 p.m. Tuesday **Where:** Council Chambers, City Hall, 333 W. Ocean Blvd. **TV:** Broadcast live on Charter Cable channel 8 and replayed at 7:30 p.m. Thursday, 7:30 p.m. Friday, 10 a.m. Saturday and 2 p.m. Sunday **Internet:** Live broadcast and previous council meetings available at www.longbeach.gov/cityclerk/council_online.asp

L.B.: Housing group says stock of available rental accommodation is far lower than previously estimated.

LONG BEACH - As apartment building owners increasingly convert their rental properties into for-sale condominiums, affordable housing advocates say tenants are getting short-changed by landlords.

To help remedy this, the City Council on Tuesday will consider making recommendations to protect the rights of renters who are forced to relocate. The council meets at 5 p.m. in City Hall, 333 W. Ocean Blvd.

However, affordable housing advocates say the proposed measures still won't be enough as rental housing continues to disappear.

"The fixes to the relocation ordinance aren't going to increase the supply of affordable housing," said Susanne Browne, an attorney with Legal Aid Foundation of Los Angeles who represents the Housing Long Beach coalition.

Browne would like the city to limit the number of condo conversions that can be made when the rental unit vacancy rate falls below 5 percent, which she said would leave a healthy amount of available rentals.

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But city officials and the Planning Commission, which considered the condo conversion issues before forwarding its recommendations to the council, have disagreed.

"We didn't see the need to have a prohibition on condo conversions at this time," said city planning manager Greg Carpenter, who noted the benefits of having more condos.

"Condominium conversions do allow for entry-level home ownership opportunities," Carpenter said.

But Browne said for renters, the converted condos often are out of their price range.

"We need to consider who it's really affordable to, and we need to consider that it's not affordable to the people who are living there," Browne said.

On the other hand, Browne said the changes that have been recommended for council approval are a step in the right direction.

One proposed measure is for the council to have city staff implement procedural changes to improve the tenant notification and relocation benefit processes. The new policy would require giving more notices when tenants must vacate an apartment, providing information in Spanish and Khmer,

and revising the notices to provide more information about relocation benefits.

Apartment owners who plan condominium conversions are required to pay about \$3,700 to some tenants, depending on the renter's income, who are forced to leave their homes.

City officials also are asking the council to request the creation of an ordinance that makes administrative condo conversion procedures part of city code, protects tenants' rights and provides relocation benefits to tenants earlier in the conversion process.

Finally, the council will consider whether to allow lifetime leases to be granted for existing senior, disabled, or low-income tenants in lieu of giving relocation benefits. Such a program would allow qualifying existing tenants to continue living in their apartments at current rents, with limited reasonable rent increases in the future, according to staff reports.

The commission considered the lifetime leases matter but didn't make a decision, instead leaving it up to the council.

Despite the proposed changes, Browne said limitations on condo conversions are still needed. She said the vacancy rates listed in a Planning Commission report to the council

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are wrong.

According to the report, the city's vacancy rate has remained constant at 4 to 5 percent in recent years.

Browne said a Census Bureau study has shown the rate to be 3.7 percent in 2006, while another independent study estimates the rate will drop to 3.2 percent for 2007.

"The city staff report is relying on incorrect information to support false conclusions that we don't need to protect the vacancy rate," Browne said.

If Brown's 5 percent vacancy rate standard were in place, limitations on condo conversions would go into effect now, the report says.

Carpenter said the city's numbers are based on Census statistics and that other studies might be unreliable.

In a city the size of Long Beach, with almost 500,000 people and 91,000 rental units, a vacancy rate of less than 5 percent still provides plenty of available housing, he said.

Ultimately, if the council approves the proposed recommendations, tenants will be better able to handle the effects of condo conversions, he said.

"I think what you'll see is people becoming aware of the process ... and receiving their relocation benefits in a more timely way," Carpenter said.

Parking bond, transparency

In other business Tuesday, the council will hold a public hearing and vote on the formation of a Community Facilities District, the need for a bond and a special election to provide parking improvements in Belmont Shore.

The district would be supported by a \$5.8 million bond measure funded through a special tax of 12 cents per commercial square foot of land within the district, which is a narrow east-west strip centered on the Second Street commercial area, according to a city report. An estimated \$200,000 in annual parking meter revenues also would help pay off the bond.

The bond requires a vote with two-thirds approval by property owners in the district, the report says. The vote would be held through a mail ballot next year.

The district would replace a previous one approved in 1988 that requires the same special tax but doesn't have the authority to fund the new proposed projects.

The bond money would be used to acquire

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land and construct an approximately 5,800-square-foot parking lot at 189 Park Ave., to resurface alleyways that provide access to parking lots near some commercial businesses, and to create public parking spaces in Belmont Shore.

The council also Tuesday will consider having the city attorney draft an ordinance to require that meeting agenda items be announced 12 days before they are to be considered.

Mayor Bob Foster proposed the change this month to create more transparency and improve community participation.

Currently, council items are announced four days before the weekly Tuesday meeting when the agenda is made public.

Under the proposed rule, items would be placed in a new section called "upcoming agenda items," although council members didn't make clear during their Dec. 4 discussion whether supporting documentation and reports also should be made available 12 days in advance.

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newsmakers



San Bernardino PHA Aids Fire Victims

Nearly 20 families left homeless by the wildfires that ravaged local mountain communities received rental assistance last month in the form of Housing Choice Vouchers from The Housing Authority of the County of San Bernardino.

Even as firefighters continued to battle the flames in early November, the Housing Authority had already sprang into action, working with the City of San Bernardino, the U.S. Department of Housing and Urban Development, and numerous County departments to assist dozens of renters and owners in the mountain communities who had been left homeless by the blazes.

"Renters whose buildings burn down are typically left with very few options: no insurance, little money, no belongings, and a huge fear of the unknown future. Our staff worked 12 hours per day to take applications, answer questions, explain options, and to ultimately house almost 20 families," said **Dan Nackerman**, Executive Director of the Housing Authority. "This County had it together!" said Nackerman, who was himself evacuated from the fire. His home survived the flames.

The Housing Authority tapped into its experience from assisting Hurricane Katrina evacuees who arrived in San Bernardino County by modifying its local policies to move National Emergency victims to the top of affordable housing waiting lists.

"This is a Federal emergency and we operate Federally-funded programs," said George Guerrero,

Chairperson of the Authority. "We helped during Katrina and we are helping now. What could be more important during a time of such loss and uncertainty than having a roof over your head?"

Over 30 staff members assisted fire victims for 13 straight days under the leadership of Susan Benner, Assistant Executive Director and Anna Rico, Executive Assistant. ■

HOPE VI Community Project of the Year

The Park at Oaklawn, a Charlotte Housing Authority HOPE VI Revitalization neighborhood, was recently awarded "Project of the Year" by the North Carolina Association of Realtors Housing Opportunity Foundation. The awards honor individuals and organizations that have made significant contributions to increasing affordable housing and improving the quality of life in the state of North Carolina.

The Park at Oaklawn is a revitalization of the former Fairview Homes public housing project. The housing authority along with its partners, The Housing Partnership, Crosland, LLC, Saussy Burbank and the City of Charlotte, completely revitalized the 32-acre site. The beautifully designed new development just outside of Uptown includes 178 multi-family rentals, 83 senior rentals, 71 single-family and duplex homes and a community center operated by Mecklenburg County Parks & Recreation.

The community's financing came from a HOPE VI grant in

the amount of \$34.7 million. Supplementing the HOPE VI funds were an \$8 million tax credit investment for the 178 apartments by Wachovia Bank, a HUD Section 202 award of approximately \$7.1 million for elderly housing to The Housing Partnership (Master Developer), \$1.3 million from the City of Charlotte for infrastructure, and a \$1 million contribution from the Mecklenburg County Parks and Recreation for a new community center.

In addition to the 332 units developed at The Park at Oaklawn, 973 additional affordable housing units in higher income neighborhoods throughout Charlotte were made available through the financing, partnerships, and development of this revitalization. The complete investment is nearly \$110 million.

"We are extremely honored to receive this award," said CHA President/Chief Executive Officer **Charles Woodyard**. "The agency and our partners recognize the importance of affordable housing in Charlotte and worked vigorously to revitalize this neighborhood." ■

Cleveland HOPE VI Grand Opening

The Cuyahoga Metropolitan Housing Authority (CMHA) and the development team of McCormack Baron Salazar/Turbov Associates (MBS/TA) recently held the grand opening of the new Tremont Pointe townhouses and garden apartments.

Tremont Pointe, located just south of downtown Cleveland, is a revitalized mixed income com-

(Continued on p. 5)

Palmdale council puts brakes on housing project

This story appeared in the Antelope Valley Press on Tuesday, December 11, 2007.

By BOB WILSON
Valley Press Staff Writer

PALMDALE - The City Council has enacted a 45-day emergency moratorium on issuing land use approvals and development permits for the College Park housing project.

The Dec. 5 moratorium will give the city time to revise municipal regulations concerning land use in the 540-acre project area - revisions sought because of the recent withdrawal of the anchor college from the housing development plan.

It was because of the promise of a college that city officials agreed to allow College Park Partners to plan construction of 847 houses on lots smaller than those normally allowed in Palmdale.

Now that no college is part of the mix, city officials want to rescind the special considerations granted previously in a specific plan approved by the City Council in March 2000.

The move was opposed by the development partnership, and that opposition was voiced by John Andreotti and attorney Jack H. Rubens.

After years of trying to make the project work, "we've got a lot at stake here," Andreotti said.

After Antelope Valley College officials announced Nov. 28 that they were withdrawing from the project, "we decided to go ahead and process the (land use) entitlements ourselves," he said.

"If we have to develop and build it ourselves, we will do that. We have the expertise," Andreotti said.

If Antelope Valley College does not want to be part of the project, then another college or public-benefit institution will be found to replace it, he said.

Andreotti called the proposal to enact a moratorium "harsh and radical" and unnecessary and said it would impede efforts to find a replacement for AV College.

If the city would withdraw its proposal for the moratorium, the development group would withdraw its Nov. 14 application for land use entitlements, Andreotti said.

Rubens said enacting a moratorium would be illegal because such steps are only valid when the city is facing "a current and immediate threat to the public health, safety and welfare."

In this case, there is no immediate threat of development because the construction-planning process would take months, Rubens said.

The moratorium drew support from the Southside Homeowners Association, a group of residents who have opposed the College Park project since it was brought forward in 1989.

Dick Wells, president of the group, said he was opposed to any construction on the land because "there is no college, there is no (public) park, there is no school, there is no golf course - there is no, there is no, there is no, except for a bunch of houses."

"We were promised that if the college did not happen ... (the project) would go back to ground zero," Wells said.

Attorney Deborah J. Fox, who was hired by the city as special counsel to plan the 45-day moratorium, said, "The college itself was the linchpin of this development" because it would have contributed \$5 million to offset the cost of bringing water, sewer, electricity and other infrastructure to the rural, hilly area between 37th and 47th streets east and between Barrel Springs Road and Avenue V.

Even with the moratorium, the builder can continue to seek land use entitlements despite the lack of a college or even a development agreement with the city, Fox said.

The moratorium would prohibit the city from granting those entitlements or issuing permits, she said, pointing out that the developer already is requesting them.

"Case law supports that it is (the City Council's) province to determine ... whether or not that urgency is indeed at play," Fox said.

The city would not have agreed to allow greater housing density without the college, Councilman Steve Hofbauer said.

"With the college no longer being part of this, we aren't interested in seeing it developed in its current fashion," Hofbauer said.

A moratorium would give the developers time to find a replacement for the college and discuss project changes with area homeowners, Mayor Pro Tem Steve Knight said.

Mayor Jim Ledford said he had little confidence that the project would proceed as promised because the promises were continuously changing.

AV College officials are considering the acquisition of a 70-acre site near Knight High School, at 70th Street East and Avenue R, instead of the 69-acre site at College Park.

Officials of the Lancaster-based AV College promised to earmark \$52 million for a Palmdale campus if local voters would approve a \$139 million college-improvement bond measure in November 2004. The approved bonds brought the college a total of \$368.5 million.

The College Park project has been under discussion since January 1989, when property owner David Bushnell asked the city for permission to build 1,080 homes.

Bushnell's plans were revised in September 1993 at the request of AV College officials, who agreed to provide \$3.2 million worth of state-funded infrastructure in return for 100 acres of land.

A new plan was submitted in October 1994, but homeowners living near the site objected to the number of houses and raised concerns about construction near an earthquake fault, increased traffic, flooding and drainage and compatibility with an otherwise rural area.

In January 1997, the Palmdale City Council directed Bushnell to redesign his plan to accommodate the college, leave open space along the project periphery and meet city limits on the number of homes.

In June 1998, a new plan moved the college from 100 acres near 47th Street East and Avenue V to 80 acres near 37th Street East and Avenue V; increased the land for housing from 257 acres to 306 acres and decreased the number of homes from 1,080 to 847.

In October 2000, AV College learned no state funding would be available for the Palmdale campus because of delays. In 2001, the college opened an interim campus in a hangar at Air Force Plant 42 but was allowed to stay only one year.

In June 2004, the college leased office space at 15th Street East and Palmdale Boulevard for South Valley classes. In January 2005, college officials learned that bringing infrastructure to the College Park site could cost \$17 million.

In October 2005, college officials accepted the College Park land with the understanding they would pay only \$5 million toward infrastructure.

In May 2007, the latest in a series of home-construction companies announced it was withdrawing from the College Park project, and college officials began seeking a new site.

Two weeks before the college formally announced it would not build at College Park, project representatives began submitting plans to the city to proceed with development, leading to the 45-day moratorium.

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PHADA Advocate

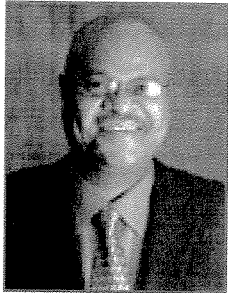
Public Housing Authorities Directors Association

Volume 22, Number 21

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December 12, 2007

President's Forum: Be On the Lookout for the New PHAS *PHADA Has Weighed in With Recommendations and Concerns*



PHADA President
John Johnson
Oklahoma City, Oklahoma

It is an understatement to say there is a lot going on in our industry. We still do not have a federal budget for the year, Congress is now considering legislation (SEVRA) that would revamp much of the way we do business, and many HAs must completely restructure their operations under new asset management requirements. There is yet another serious matter that is now percolating, one that has not yet received a lot of attention. Still, it is an issue with major implications for all HAs in 2008 - the next iteration of the Public Housing Assessment System (PHAS).

HUD has said it plans major revisions to PHAS. As a result of

the new project-based management and accounting requirements, the Department's plan is to focus the system more on individual properties, i.e. make PHAS more "property centric."

"...in HUD's multifamily programs, owners receiving physical inspection scores between 31 and 60 get a second opportunity to correct deficiencies before a final score is issued...if HUD really desires to "level the playing field" between public and multifamily housing, it should give HAs the same kind of flexibility.

clearance process and should be out "soon," according to HUD staff.

See "president's forum," continued on page 2

HUD Provides Additional Information on Revisions to PHAS Management Indicator *New Scoring Process Remains Unclear*

Recently, HUD discussed its plans for revising the management indicator (MASS) in the public housing assessment system (PHAS) with the administrative reform initiative group on monitoring (see president's column for background). It plans to use form HUD 9834, Management Review for Multifamily Housing Projects, as the basis for public housing's management assessment. Unfortunately, HUD's presentation raised as many questions as it answered. Notably, the Department neither explained which of the many items on the 9834 will be scored nor how they will be scored.

Form HUD 9834 and the Multifamily Management Review

HUD has already announced its plans to move to an assessment system that will have scores for individual projects as well as an authority-wide score. In rethinking the public housing management indicator, HUD has stated that it now intends to model it after the multifamily management review, as outlined in form HUD 9834, while at the same time complying with the indicators mandated by statute in QHWA which also requires that HUD issue a numerical score for each authority.

QHWA's indicators include the vacancy rate and turnaround time, percent of rent uncollected, utility consumption, work order completions, inspections, economic self-sufficiency and resident participation, and finally an agency's anti-crime strategies. Thus, HUD's management assessment will continue to include these items somehow in its evaluation.

In addition to these statutory indicators, HUD plans to monitor an agency's performance using multifamily's form HUD 9834. PHADA

HUD's form 9834, Management Review for Multifamily Housing Projects is 46 pages long.

See "PHAS revisions," continued on page 4

...“PHAS revisions”

Continued from page 1

has two primary concerns in regard to HUD's decision. The first is that the 9834 includes quite a few areas above and beyond the QHWRA statutory list. HUD has acknowledged that many of these areas reflect “compliance” rather than “performance.” It has not, however, made it clear which are which, and therefore which ones it intends to score and which it intends simply to review. PHADA also believes that many of the areas that might be deemed “compliance” are already subject to other forms of monitoring and that it would therefore be duplicative to include them in the management indicator. The second major concern it has about using the 9834 is that it does not receive a numerical score in multifamily and so should not necessarily be chosen as a model for a public housing scoring system.

The table below shows six of the major areas and their component parts that make up the 9834.

A. General Appearance and Security 1. General Appearance 2. Security
B. Follow-Up and Monitoring of Project Inspections 3. Follow-Up and Monitoring of Last Physical Inspection and Observations 4. Follow-Up and Monitoring of Lead-Based Paint Inspection
C. Maintenance and Standard Operating Procedure 5. Maintenance 6. Vacancy and Turnover 7. Energy Conservation
D. Financial Management/Procurement 8. Budget Management 9. Cash Controls 10. Cost Controls 11. Procurement Controls 12. Accounts Receivable/Payable 13. Accounting and Bookkeeping
E. Leasing and Occupancy 14. Application Processing/Tenant Selection 15. Leases and Deposits 16. Eviction/Termination of Assistance Procedures 17. Tenant Rental Assistance Certification System (TRACS) Monitoring and Compliance 18. Tenant File Security 19. Summary of Tenant File Review
F. Tenant Management Relations 20. Tenant Grievances 21. Provision of Tenant Services

As this chart makes clear, there are very many sections in the 9834 review that are not currently included in PHAS. As mentioned, HUD has not yet clarified which of these areas it plans to score for performance and which it intends to review for compliance. Obviously, this information is very important in fully understanding HUD's plans. As a general principle, though, PHADA believes that the areas beyond the statutory requirements should not be scored.

Beyond this principle, it seems very clear, as well, that even reviewing many of these areas for compliance as part of MASS will duplicate other forms of HUD compliance review. General appearance, for instance, is covered quite thoroughly in the PHAS physical inspection and should not be monitored again.

Most of the financial management/procurement section and the leasing and occupancy section make up part of an agency's annual audit. OMB Circular A-133 requires the auditor to “determine whether the auditee has complied with laws, regulations...that may have a direct and material effect on each of its major programs.” The compliance supplement specifically instructs the auditor to test cash management, eligibility, procurement, reporting and the waiting list. Similarly, much of the leasing and occupancy section is also covered in a RIM review. HUD has stated that a 9834 review for public housing may replace RIM reviews.

PHADA has written HUD to ask for clarification of which items will be scored and which will simply be reviewed, but it has received no answer to date. Similarly, PHADA asked HUD not to duplicate compliance procedures already in place. It is more appropriate for an independent auditor, who is a CPA, to review an agency's financial controls, budget management and accounting and bookkeeping than a HUD official from a field office or a HUD-contracted reviewer.

In its correspondence with HUD, PHADA also pointed out that even some of the statutory indicators do not easily lend themselves to a numerical score. Energy conservation and security are two of these. HUD is contemplating establishing set standards, such as reducing electric consumption or part 1 crimes by a certain percentage, but not every agency will be equally able to achieve standards such as these.

One of the major reasons they may not be achievable is the fact that they depend directly on the behavior of the residents rather than that of the housing authority. Many other reasons may exist, as well, including funding shortfalls or even having implemented successful programs in the past that have already reduced energy use or crime to low levels. PHADA suggested, instead, that HUD evaluate housing authorities and their properties in these areas by looking at process issues. These might include being up to date with energy audits, maintaining statistics of criminal activity, identifying areas of concern, and developing and implementing plans.

Another point made by PHADA and members of the group dealing with monitoring is that the assessment system should focus first on the most important components of an agency or property's performance. If an agency or property performs well on that component, the Department should not proceed further and evaluate how it achieved this success.

One of the clearest examples is the one involving vacancy rate and unit turnover. If a property achieves a satisfactory vacancy rate, for instance 3 percent or lower, it does not appear to be important to the Department whether its turnover time is 7 days or 30 days. PHADA believes that in this case HUD should score the vacancy rate and then move on. Encouragingly, HUD appears sympathetic to this position. Although turnover time is statutory, PHADA believes that in a case where an agency achieves

See “PHAS revisions,” continued on page 5

...“PHAS revisions”

Continued from page 4

a satisfactory vacancy rate, not specifically scoring vacancy turnover would meet congressional intent and comply with the statute.

There are numerous other similar examples of this principle in the 9834 review. If a property scores well on its physical inspection, for instance, follow up of the last physical inspection or reviewing its preventive maintenance program could be eliminated. If an agency and property are financially viable based on the financial indicator, it can be assumed that its budget management is also satisfactory and a specific review of this area should not be needed.

The three main goals to be measured are the quality of the housing (measured by the physical indicator), its financial health (measured by the financial indicator's reserve component), and whether or not the property is being used optimally (measured by its vacancy rate). A property that scores well on each of these three indicators should successfully pass the assessment without further evaluation.

As explained in the president's column in this issue, there are many weighty issues to be considered in HUD's revising PHAS to evaluate properties rather than agencies. Hopefully, the Department will also carefully consider which aspects of the multifamily management review, established in form HUD 9834, will prove genuinely useful in a public housing assessment system. PHADA believes that the best system will be the simplest. It will score only those areas which truly reflect the quality of the public housing program and it will not duplicate, even for compliance purposes, reviews housing authorities are already required by law to undergo, such as the annual independent audit. ■

Notice to Members: Please Inform PHADA if Your HA Encounters Inspection Irregularities

Over the past few months, PHADA has received some complaints from members about physical inspections performed by HUD contractors. In some cases, inspectors were incorrectly penalizing HAs for perceived “deficiencies.” In addition, some HAs reported widely inconsistent scores compared to just one year ago, while others have complained about the declining level of professionalism of certain contractors.

PHADA intervened with HUD this past summer, bringing problems to the attention of Real Estate Assessment Center (REAC) staff at the Department's headquarters. With a goal of ensuring top notch inspections that accurately measure HA performance, PHADA wants to continue to closely monitor the situation and needs to know what is transpiring in the field. If your HA experiences any inspection-related problems, please bring them to PHADA's attention.

Please telephone/send information to Kathleen Whalen, Policy Analyst (202-546-5445), kwhalen@phada.org. As always, it is helpful to supply any available documentation to better identify specific problems. ■

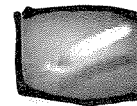
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Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Carlos Jackson
Executive Director

December 19, 2007

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
2 Coral Circle
Monterey Park, California 91755

Dear Commissioners:

**APPROVE CONTRACTS FOR PROVISION OF
BUILDING MATERIALS AND SUPPLIES (ALL DISTRICTS)**

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners find that the approval of contracts for provision of building materials and supplies is exempt from the provisions of the California Environmental Quality Act (CEQA), as described herein, because the contracts approval will not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners approve and authorize the Executive Director of the Housing Authority of the County of Los Angeles to execute eight one-year contracts (collectively "Contracts") in the aggregate amount of \$975,000 and in substantially the form of the attached, and all related documents, with the contractors identified in Attachment A, for the provision of building materials and supplies for the maintenance of the Housing Authority's housing developments on an as-needed basis, to be effective following approval as to form by County Counsel and execution by all parties.
3. Recommend that the Board of Commissioners authorize the Executive Director to execute amendments to the Contracts, following approval as to form by County Counsel, to extend the time of performance for an additional two years, in one-year increments, at the same annual aggregate amount of \$975,000.
4. Recommend that the Board of Commissioners authorize the Executive Director to use a maximum aggregate amount of \$2,925,000 over a three-year period for the purposes described above, comprised of \$975,000 in funds included in the

Housing Authority's approved Fiscal Year 2007-2008 budget, and \$1,950,000 in funds to be requested through the Housing Authority's annual budget approval process.

5. Recommend that the Board of Commissioners authorize the Executive Director to execute Contracts, in substantially the form of the attached, and all related documents, with additional qualified contractors who submit bids in conformance with the bid requirements during the next bid process to be held within this fiscal year, in order to ensure sufficient numbers of contractors to meet the Housing Authority's building materials and supplies needs.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this action is to award Contracts for the provision of building materials and supplies for the maintenance of the Housing Authority's housing developments located throughout Los Angeles County, on an as-needed basis. A similar letter is also being submitted to the Board of Commissioners of the Community Development Commission of the County of Los Angeles on January 8, 2008.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. The maximum aggregate amount for all three years of the Contracts, if fully extended, will be \$2,925,000. The first year of services under the Contracts will not exceed a maximum aggregate amount of \$975,000, which is included in the Housing Authority's approved Fiscal Year 2007-2008 budget.

If extended, the cost of the second and third years of the Contracts will remain the same at an aggregate amount of \$975,000 annually, using funds to be requested through the Housing Authority's annual budget approval process.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The proposed eight one-year Contracts will provide building materials and supplies for the maintenance of all Housing Authority housing developments located throughout Los Angeles County on an as-needed basis. The building materials and supplies include: carpeting and tile; paint, plumbing, irrigation, and electrical materials; windows and screens; and tools and equipment.

To ensure the Housing Authority has access to a sufficient number of contractors to provide building materials and supplies, authority is requested for the Executive Director to execute Contracts with additional qualified contractors who submit bids in conformance with the bid requirements during the next bid process to be held within this fiscal year.

The proposed services are being federally funded and are not subject to the requirements of the Greater Avenues for Independence (GAIN) or the General Relief Opportunity for Work (GROW) Programs implemented by the County of Los Angeles. Instead, the contractors identified in Attachment A must comply with Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain U.S. Department of Housing and Urban Development (HUD) assistance be directed to low- and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

The Contracts will be effective following approval as to form by County Counsel and execution by all parties.

ENVIRONMENTAL DOCUMENTATION:

Pursuant to 24 Code of Federal Regulations, Part 58, Section 58.35 (b)(3), this project is excluded from the National Environmental Policy Act (NEPA), because it involves maintenance activities that will not alter existing environmental conditions. It is exempt from the provisions of CEQA, pursuant to State CEQA Guidelines 15301, because it involves negligible or no expansion of use beyond what currently exists and does not have the potential for causing a significant effect on the environment.

CONTRACTING PROCESS:

On July 27, 2007, the Housing Authority initiated an outreach to identify qualified contractors for the provision of building materials and supplies for the maintenance of the Housing Authority's housing developments located throughout Los Angeles County.

Invitations for Bids were mailed to 1,447 contractors identified from the Housing Authority's vendor list. Advertisements also appeared in nine newspapers and on the County Web Site. Forty-one bid packages were requested and distributed.

On August 27, 2007, a total of nine bids were received and formally opened. The eight contractors identified in Attachment A are being recommended for inclusion on a list of contractors to be utilized on an as-needed basis for the provision of building materials and supplies.

The Summary of Outreach Activities is provided as Attachment A.

Honorable Housing Commissioners
December 19, 2007
Page 4

IMPACT ON CURRENT PROGRAMS:

The Contracts will ensure that building materials and supplies are available for the maintenance of the Housing Authority's housing developments.

Respectfully submitted,


for CARLOS JACKSON
Executive Director

Attachments: 2

ATTACHMENT A

Summary of Outreach Activities

Contracts for Building Materials and Supplies

On July 27, 2007, the following outreach was initiated to identify contractors for the provision of building materials and supplies for the maintenance of the Housing Authority's housing developments located throughout Los Angeles County.

A. Newspaper Advertising

Announcements appeared in the following nine local newspapers:

La Opinion	Los Angeles Sentinel
Eastern Group Publications	Los Angeles Times
International Daily News	The Daily News
Long Beach Press Telegram	Antelope Valley Press
WAVE Community Newspapers	

The announcement was also posted on the County Website.

B. Distribution of Bid Packets

The Housing Authority's vendor list was used to mail out Invitations for Bids to 1,447 contractors, of which 879 identified themselves as businesses owned by minorities or women (private firms which are 51 percent owned by minorities or women, or publicly-owned businesses in which 51 percent of the stock is owned by minorities or women). As a result of the outreach, 41 packages were requested and distributed.

C. Pre-Bid Conference

On August 19, 2007, a pre-bid conference was conducted. Five firms were in attendance.

D. Bid Results

On August 27, 2007, a total of nine bids were received and publicly opened. Bids were received from the following firms:

AAA Electrical Supply*
Associated of Los Angeles
Continental Flooring
Ferguson
Light Suppliers*

Omni Western
 Scotch Paint Corporation*
 Southbay Screen, Glass & Door*
 Superior Carpet

*The Housing Authority currently has contracts with these firms.

E. Minority/Female Participation –Firms Selected

Firm Name	Ownership	Employees
AAA Electrical Supply	Minority	7 Total 6 minorities 4 women 86% minorities 57% women
Associated of Los Angeles	Non-Minority	39 Total 21 minorities 7 women 54% minorities 18% women
Continental Flooring	Non-Minority	36 Total 3 minorities 18 women 8% minorities 50% women
Ferguson	Not Available (N/A)	138 Total N/A minorities 27 women N/A minorities 20% women
Light Suppliers	Minority	1 Total 1 minorities 0 women 100% minorities 0% women
Omni Western	Non-Minority	9 Total 2 minorities 2 women 22% minorities 22% women

Scotch Paint Corporation	Non-Minority	14	Total
		10	minorities
		3	women
		71%	minorities
		21%	women
Superior Carpet	Minority	7	Total
		6	minorities
		3	women
		86%	minorities
		43%	women

F. Minority/Female Participation –Firms Not Selected

Firm Name	Ownership	Employees
Southbay Screen, Glass & Door	N/A	N/A Total
		N/A minorities
		N/A women
		N/A% minorities
		N/A% women

The Housing Authority conducts ongoing outreach to include minorities and women in the contract award process, including: providing information at local and national conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Housing Authority.

The recommended award of the contracts is being made in accordance with the Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.

Contract Summary

Project Name: Contracts for Building Materials and Supplies
Location: Housing Authority housing developments located throughout Los Angeles County
Bid Number: CDC07-054
Bid Date: September 18, 2007
Contractor: 8 contractors as shown in Attachment A
Services: Provision of building materials and supplies

Contract Documents: Attachment A – Statement of Work; Attachment B – Fee Schedule; Attachment C – Required Contract Forms; and Attachment D – Required Contract Notices.

Time of Commencement: The work to be performed under this Contract shall commence following Board approval.

Contract Sum: The maximum aggregate amount of the contracts shall not exceed, in current funds, the sum of **Nine Hundred Seventy-Five Thousand Dollars and Zero Cents (\$975,000.00)**.



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Commissioners

Carlos Jackson
Executive Director

December 19, 2007

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
2 Coral Circle
Monterey Park, California 91755

Dear Commissioners:

**APPROVE CONSTRUCTION CONTRACT FOR BATHROOM AND KITCHEN
REMODELING PROJECT TO MEET REQUIREMENTS OF THE AMERICAN WITH
DISABILITIES ACT AT PALM AND WEST KNOLL SENIOR HOUSING
DEVELOPMENTS IN THE CITY OF WEST HOLLYWOOD (3)**

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners find that the approval of a construction contract (Contract) for the bathroom and kitchen remodeling project to meet the requirements of the American with Disabilities Act (ADA) at the Palm and West Knoll senior housing developments in the City of West Hollywood is exempt from the provisions of the California Environmental Quality Act (CEQA), as described herein, because the work includes activities that will not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners approve the award of a Contract in the amount of \$286,875 to AZ Home, Inc., for the purposes described above at the subject properties, and authorize the Executive Director of the Housing Authority to execute the Contract and all related documents, to be effective upon the issuance of the Notice to Proceed, which will not exceed 30 days following the date of Board approval.
3. Recommend that the Board of Commissioners authorize the Executive Director to use a total of \$286,875 in Community Development Block Grant (CDBG) funds allocated by the U.S. Department of Housing and Urban Development (HUD) and included in the Housing Authority's approved Fiscal Year 2007-2008 budget, and authorize the Executive Director to approve Contract change orders not exceeding \$57,375 for

unforeseen project costs, using the same source of funds described above.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this action is to award a Contract for the ADA bathroom and kitchen remodeling project at the Palm and West Knoll senior housing developments.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. The improvements will be funded with a total of \$286,875 in CDBG funds allocated by HUD, which are included in the Housing Authority's approved Fiscal Year 2007-2008 budget. A 20% contingency, in the amount of \$57,375, is also being set aside for unforeseen costs, using the same source of funds.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The Palm senior housing development consists of a total of 127 units and the West Knoll senior housing development consists of a total of 136 units, located at 959 Palm Avenue and 838 West Knoll Drive, respectively, in the City of West Hollywood. The Housing Authority wishes to award the attached Contract to AZ Home, Inc., to complete the necessary ADA bathroom and kitchen remodeling project and other related work. It is anticipated that the entire project will be completed within 150 calendar days following the Notice to Proceed.

The improvements are being federally funded, and are not subject to the requirements of the Greater Avenues for Independence (GAIN) Program or the General Relief Opportunity for Work (GROW) Program implemented by the County of Los Angeles. Instead, AZ Home, Inc. will comply with Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain HUD assistance be directed to low- and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

The Contract has been approved as to form by County Counsel and executed by AZ Home, Inc.

ENVIRONMENTAL DOCUMENTATION:

Pursuant to Title 24 of the Code of Federal Regulations, Section 58.35 (a)(3)(ii), this action is excluded from the National Environmental Policy Act (NEPA) because it involves activities that will not alter existing environmental conditions. The action is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301 because it does not have the potential for causing a significant effect on the environment.

CONTRACTING PROCESS:

On October 10, 2007, the Housing Authority initiated an outreach to identify a contractor to complete the work at the subject properties. Invitations for Bids were mailed to 445 contractors identified from the Housing Authority's vendor list. Advertisements also appeared in eight newspapers and on the County Web Site. Ten bid packages were requested and distributed.

On November 6, 2007, five bids were received and formally opened. The lowest bid was withdrawn by the bidder. The second lowest bid by AZ Home, Inc., was determined to be the most responsive and is being recommended for the contract award.

The Summary of Outreach Activities is provided as Attachment A.

IMPACT ON CURRENT PROJECT:

The award of the Contract will upgrade and preserve the senior housing developments in decent, safe, and sanitary conditions for residents.

Respectfully submitted,

for Bobbette A. Glaser
CARLOS JACKSON
Executive Director

Attachments: 2

ATTACHMENT A

Summary of Outreach Activities

Construction Contract for Bathroom and Kitchen Remodeling Project to Meet Requirements of the American with Disabilities Act at Palm and West Knoll Senior Housing Developments in the City of West Hollywood

On October 10, 2007, the following outreach was initiated to identify a contractor to complete bathroom and kitchen remodeling project to meet the requirements of the American with Disabilities Act at the Palm and West Knoll senior housing developments located at 959 Palm Avenue and 838 West Knoll Drive, respectively, in the City of West Hollywood.

A. Newspaper Advertising

Announcements appeared in the following eight local newspapers:

Dodge Construction News	Los Angeles Sentinel
Eastern Group Publications	Los Angeles Times
International Daily News	The Daily News
La Opinion	WAVE Community Newspapers

An announcement was also posted on the County Web Site.

B. Distribution of Bid Packages

The Housing Authority's vendor list was used to mail out Invitations for Bids to 445 contractors, of which 391 identified themselves as businesses owned by minorities or women (private firms which are 51 percent owned by minorities or women, or publicly-owned businesses in which 51 percent of the stock is owned by minorities or women). As a result of the outreach, ten bid packages were requested and distributed.

C. Pre-Bid Conference and Site Walk

On October 23, 2007, a mandatory pre-bid conference and site walk was conducted. Ten firms were in attendance.

D. Bid Results

On November 6, 2007, a total of five bids were received and publicly opened. The bid result was as follows:

CompanyBid Amount

Kimmons Construction and Painting Co.	\$280,000.00
AZ Home, Inc.	\$286,875.00
CAS General Contractors, Inc.	\$378,000.00
G-2000 Construction.	\$407,696.00
ML Construction Co.	\$454,300.00

E. Minority/Female Participation – Selected Contractor

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
AZ Home, Inc.	Non-Minority	Total: 12 4 minorities 0 women 30% minorities 0% women

F. Minority/Women Participation - Firms Not Selected

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
Kimmons Construction and Painting Co.	Non-minority	Total: 10 6 minorities 2 women 60% minorities 20% women
CAS General Contractors, Inc.	Minority	Total: 4 4 minorities 2 women 100% minorities 50% women
G-2000 Construction	Non-Minority	Total: 9 6 minorities 3 women 66% minorities 33% women
ML Construction Co.	Non-Minority	Total: 17 3 minorities 1 women 6% minorities 6% women

The Housing Authority conducts ongoing outreach to include minorities and women in the contract award process, including: providing information at local and national conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Housing Authority.

The recommended award of the contract is being made in accordance with the Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.

ATTACHMENT B

Contract Summary

Project Name: Palm and West Knoll ADA Bathroom and Kitchen Remodeling.
Location: 959 Palm Avenue and 838 West Knoll Drive, City of West Hollywood, 90069
Bid Number: CD-07-156
Bid Date: November 6, 2007
Contractor: AZ Home, Inc.
Services: ADA Bathroom and Kitchen remodeling of three-story residential buildings

Contract Documents: Part A – Instructions to Bidders and General Conditions; Part B – Specifications; Part C – Bidder's Documents, Representations, Certifications, Bid, and Other Statements of Bidder; all addenda to the Contract Documents.

Time of Commencement and Completion: The work to be performed under this Contract shall be commenced within thirty (30) days after a Notice to Proceed is received by the Contractor, or on the date specified in the Notice, whichever is later, and shall be completed within one hundred fifty (150) calendar days following the required commencement date.

Liquidated Damages: In the event of breach of contract, the Contractor and his/her sureties shall be liable for, and shall pay to the Housing Authority the sum of **Five Hundred Dollars and Zero Cents (\$500.00)** as liquidated damages for each calendar day of delay, until the Work is accepted by the Owner.

Contract Sum: The Housing Authority shall pay the Contractor for the performance of the Contract subject to additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum of **Two Hundred Eighty Thousand Six Hundred Eighty-Five Dollars and Zero Cents (\$286,875.00)**. The Contract Sum is not subject to escalation, includes all labor and material increases anticipated throughout the duration of this Contract.

Contract Contingency: \$57,375.



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Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Carlos Jackson
Executive Director

December 19, 2007

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
2 Coral Circle
Monterey Park, California 91755

Dear Commissioners:

**APPROVE CONSTRUCTION CONTRACT FOR WEST KNOLL ELECTRICAL
SWITCHGEAR REPLACEMENT PROJECT AT WEST KNOLL SENIOR HOUSING
DEVELOPMENT IN THE CITY OF WEST HOLLYWOOD (3)**

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners find that the approval of a construction contract for the replacement of two electrical switchgear systems and removal of an existing water tank at the West Knoll senior housing development is exempt from the provisions of the California Environmental Quality Act (CEQA), as described herein, because the project will not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners approve the award of a Construction Contract (Contract) in the amount of \$175,700 to M.L. Construction, to complete the replacement of two electrical switchgear systems and removal of existing water tank at the West Knoll senior housing development, and authorize the Executive Director of the Housing Authority to execute the Contract and all related documents, to be effective upon the issuance of the Notice to Proceed, which will not exceed 30 days following the date of Board approval.
3. Recommend that the Board of Commissioners authorize the Executive Director to use a total of \$175,700 in Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD), and included in the Housing Authority's approved Fiscal Year 2007-2008 budget, and authorize the Executive Director to



approve Contract change orders not exceeding \$35,140 for unforeseen project costs, using Capital Funds Program (CFP) funds from HUD.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this action is to award a Contract for the electrical switchgear replacement project at the West Knoll senior housing development.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. The improvements will be funded with a total of \$175,700 in CDBG funds from HUD which are included in the Housing Authority's approved Fiscal Year 2007-2008 budget. A 20% contingency, in the amount of \$35,140, is also being set aside for unforeseen costs using CFP funds from HUD.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The West Knoll senior housing development consists of a total of 136 units located at 838 West Knoll Drive, in the City of West Hollywood. The Housing Authority wishes to award the attached Contract to M.L. Construction to complete the necessary electrical switchgear replacement project and other related work. It is anticipated that the entire project will be completed within 120 calendar days following the Notice to Proceed.

The improvements are being federally funded, and are not subject to the requirements of the Greater Avenues for Independence (GAIN) Program or the General Relief Opportunity for Work (GROW) Program implemented by the County of Los Angeles. Instead, M.L. Construction will comply with Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain HUD assistance be directed to low- and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

The Contract has been approved as to form by County Counsel and executed by M.L. Construction.

ENVIRONMENTAL DOCUMENTATION:

Pursuant to 24 Code of Federal Regulations, Part 58, Section 58.35 (b)(3), this project is excluded from the National Environmental Policy Act (NEPA), because it involves maintenance activities that will not alter existing environmental conditions. It is exempt from the provisions of CEQA, pursuant to State CEQA Guidelines 15301, because it involves negligible or no expansion of use beyond what currently exists and does not have the potential for causing a significant effect on the environment..

CONTRACTING PROCESS:

On November 6, 2007, the Housing Authority initiated an outreach to identify a contractor to complete the work at the subject property. Invitations for Bids were mailed to 445 contractors identified from the Housing Authority's vendor list. Advertisements also appeared in eight newspapers and on the County Web Site. Nine bid packages were requested and distributed.


On November 27, 2007, six bids were received and formally opened. The lowest bid submitted by M.L. Construction is being recommended for the Contract award.

The Summary of Outreach Activities is provided as Attachment A.

IMPACT ON CURRENT PROJECT:

The award of the Contract will upgrade and preserve the senior housing development in a decent, safe, and sanitary condition for its residents.

Respectfully submitted,


for CARLOS JACKSON
Executive Director

Attachments: 2

ATTACHMENT A

Summary of Outreach Activities

Construction Contract for West Knoll Electrical Switchgear Replacement at West Knoll Senior Housing Developments in the City Of West Hollywood

On November 6, 2007, the following outreach was initiated to identify a contractor to complete the necessary electrical panel and switchgear replacement project at the West Knoll senior housing development located at 838 West Knoll Drive, in the City of West Hollywood.

A. Newspaper Advertising

Announcements appeared in the following eight local newspapers:

Dodge Construction News	Los Angeles Sentinel
Eastern Group Publications	Los Angeles Times
International Daily News	The Daily News
La Opinion	WAVE Community Newspapers

An announcement was also posted on the County Web Site.

B. Distribution of Bid Packages

The Housing Authority's vendor list was used to mail out Invitations for Bids to 445 contractors, of which 391 identified themselves as businesses owned by minorities or women (private firms which are 51 percent owned by minorities or women, or publicly-owned businesses in which 51 percent of the stock is owned by minorities or women). As a result of the outreach, nine bid packages were requested and distributed.

C. Pre-Bid Conference and Site Walk

On November 27, 2007, a mandatory pre-bid conference and site walk was conducted. Nine firms were in attendance.

D. Bid Results

On November 27, 2007, a total of six bids were received and publicly opened. The bid result was as follows:

<u>Company</u>	<u>Bid Amount</u>
M.L. Construction	\$175,700.00
Sturgeon General	\$190,000.00
CWS Systems Inc.	\$261,000.00

Tamang Electric, Inc.
CAS General Contractor
Minako America Corp.

\$279,142.00
\$289,000.00
\$497,000.00

E. Minority/Female Participation – Selected Contractor

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
M.L. Construction	Non-Minority	Total: 17 3 minorities 1 woman 6% minorities 6% women
APA Electrica, Inc. (Sub) (Electrical)	Minority	Total: 4 4 minority 1 women 100% minorities 25% women

F. Minority/Women Participation - Firms Not Selected

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
Sturgeon General.	Non-Minority	Total: 12 4 minorities 0 women 30% minorities 0% women
CWS Systems, Inc.	Minority	Total: 4 4 minorities 2 woman 100% minorities 50% women
Tamang Electric, Inc	Non-Minority	Total: 9 6 minorities 3 woman 66% minorities 33% women
CAS General Contractor	Non-Minority	Total: 17 3 minorities 1 woman 6% minorities 6% women

Minako America Corp.

Non-Minority

Total: 18
3 minorities
1 woman
6% minorities
6% women

The Housing Authority conducts ongoing outreach to include minorities and women in the contract award process, including: providing information at local and national conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Housing Authority.

The recommended award of the contract is being made in accordance with the Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.

Contract Summary

Project Name: West Knoll Electrical Switchgear Replacement Project
Location: 838 West Knoll Drive, West Hollywood 90069
Bid Number: CDC07-246
Bid Date: November 27, 2007
Contractor: M.L. Construction
Services: Electrical switchgear replacement project

Contract Documents: Part A – Instructions to Bidders and General Conditions; Part B – Specifications; Part C – Bidder's Documents, Representations, Certifications, Bid, and Other Statements of Bidder; all addenda to the Contract Documents.

Time of Commencement and Completion: The work to be performed under this Construction Contract shall be commenced within thirty (30) days after a Notice to Proceed is received by the Contractor, or on the date specified in the Notice, whichever is later, and shall be completed within one hundred fifty (150) calendar days following the required commencement date.

Liquidated Damages: In the event of breach of contract, the Contractor and his/her sureties shall be liable for, and shall pay to the Housing Authority the sum of **Five Hundred Dollars and Zero Cents (\$500.00)** as liquidated damages for each calendar day of delay, until the Work is accepted by the Owner.

Contract Sum: The Housing Authority shall pay the Contractor for the performance of the Contract subject to additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum of **One Hundred Seventy-Five Thousand Seven Hundred Dollars and Zero Cents (\$175,700.00)**. The Contract Sum is not subject to escalation, includes all labor and material increases anticipated throughout the duration of this Contract.

Contract Contingency: \$35,140



Carlos Jackson
Executive Director

**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office
2 Coral Circle • Monterey Park, CA 91755
323.890.7001 • TTY: 323.838.7449 • www.lacdc.org



Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

December 19, 2007

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
2 Coral Circle
Monterey Park, California 91755

Dear Commissioners:

**APPROVE CONSTRUCTION CONTRACT FOR FENCING AND GATE
IMPROVEMENTS AT 13 HOUSING AUTHORITY HOUSING DEVELOPMENTS (2)**

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners find that the approval of a construction contract for fencing and gate improvements at the Housing Authority developments as identified in Attachment A is exempt from the provisions of the California Environmental Quality Act (CEQA), as described herein, because the work includes activities that will not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners approve the award of the attached construction contract (Contract) in the amount of \$366,248 to Bobco Metals, LLC, to complete the fencing and gate improvements at the subject properties; and authorize the Executive Director of the Housing Authority of the County of Los Angeles to execute the Contract and all related documents, following approval as to form by County Counsel and effective upon the issuance of the Notice to Proceed, which will not exceed 30 days following the date of Board approval.
3. Recommend that the Board of Commissioners authorize the Executive Director to use a total of \$366,248 in Capital Funds Program (CFP) funds provided by the U.S. Department of Housing and Urban Development (HUD), for the purposes described herein; and authorize the Executive Director to approve Contract change orders not

exceeding \$91,562 for unforeseen project costs, using the same source of funds.

4. Recommend that the Board of Commissioners authorize the Executive Director to incorporate up to \$457,810 in CFP funds into the Housing Authority's approved Fiscal Year 2007-2008 budget, for the purposes described above.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this action is to award a Contract to complete fencing and gate improvements at 13 housing developments identified in Attachment A.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. The Housing Authority will fund the improvements with \$366,248 in CFP funds allocated by HUD. A 25% contingency, in the amount of \$91,562, is also being set aside for unforeseen costs, using the same source of funds. A total of up to \$457,810 in CFP funds will be incorporated into the Housing Authority's approved Fiscal Year 2007-2008 budget, for the purposes described above.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The fencing and gate improvements project at the housing developments is part of the HUD-approved Five-Year Action Plan under CFP, and is consistent with the Crime Prevention Through Environmental Design principles. The scope of work includes the replacement of fencing, replacement of fencing panels, replacement of gates, replacement of vehicular gate motors, installation of metal mesh for some of the vehicular gates, replacement of gate hardware and replacement of call boxes.

The improvements are being federally funded, and are not subject to the requirements of the Greater Avenues for Independence (GAIN) Program or the General Relief Opportunity for Work (GROW) Program implemented by the County of Los Angeles. Instead, Continental Flooring Company will comply with Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain HUD assistance be directed to low- and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

The Housing Authority wishes to award the Contract to Bobco Metals, LLC, to complete the fencing and gate improvements. The Contract has been approved as to form by County Counsel and executed by Bobco Metals, LLC.

ENVIRONMENTAL DOCUMENTATION:

Pursuant to Title 24 of the Code of Federal Regulations, Section 58.35 (a)(3)(ii), this action is excluded from the National Environmental Policy Act (NEPA) because it involves activities that will not alter existing environmental conditions. The action is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301 because it does not have the potential for causing a significant effect on the environment.

CONTRACTING PROCESS:


On September 20, 2007, the Housing Authority initiated an outreach to identify a contractor to complete the work at the subject property. Invitations for Bids were mailed to 90 fencing contractors identified from the Housing Authority's vendor list. Advertisements also appeared in eight local newspapers and on the County WebVen website. Eight bid packages were requested and distributed.

On October 25, 2007, five bids were received and formally opened. The low bid, submitted by Bobco Metals, LLC, was determined to be responsive and is being recommended for the Contract award. The Summary of Outreach Activities is provided as Attachment B.

IMPACT ON CURRENT PROJECT:

The award of the Contract will provide the residents with decent, safe, and sanitary living conditions.

Respectfully submitted,


for CARLOS JACKSON
Executive Director

Attachments: 3

ATTACHMENT A
LIST OF HOUSING DEVELOPMENTS

1. 11431-11437 S. Normandie Ave, Los Angeles, 90044
2. 1336 – 1340 W. 105th Street, Los Angeles, 90044
3. 1239 & 1245 W. 109th Street, Los Angeles, 90044
4. 1928, 1937 & 1949 E. El Segundo, Compton, 90222
5. 2141, 2142, 2143, 2144 & 2145 E. El Segundo, Compton, 90222
6. 1232 & 1234 E. 119th Street, Los Angeles, 90059
7. 1100 W. 106th Street, Los Angeles, 90044
8. 1334 – 1338 W. 106th Street, Los Angeles, 90044
9. 1104 W. 106th Street, Los Angeles, 90044
10. 9104-9118 Bandera, Los Angeles, 90044
11. 8739 Beach Ave, Los Angeles, 90002
12. 1035 - 1037 W. 94th St., Los Angeles, 90044
13. 1310 110th St., Los Angeles, 90044

ATTACHMENT B

Summary of Outreach Activities

Fencing and Gate Improvements at Various Housing Developments

On September 20, 2007, the following outreach was initiated to identify a contractor for fencing and gate improvements at the housing developments shown on Attachment A.

A. Newspaper Advertising

Announcements appeared in the following eight local newspapers:

Dodge Construction News	Los Angeles Sentinel
Eastside Sun	Los Angeles Times
International Daily News	The Daily News
La Opinion	WAVE Community Newspapers

An announcement was also posted on the County Web Site.

B. Distribution of Bid Packages

The Housing Authority's vendor list was used to mail out Invitations for Bids to 90 flooring contractors, of which 59 identified themselves as businesses owned by minorities or women (private firms which are 51 percent owned by minorities or women, or publicly-owned businesses in which 51 percent of the stock is owned by minorities or women). As a result of the outreach, eight bid packages were requested and distributed.

C. Pre-Bid Conference and Site Walk

On October 3, 2007, a recommended pre-bid conference and site walk was conducted. Fifteen firms were in attendance.

D. Bid Results

On October 25, 2007, a total of five bids were received and publicly opened. The bid result was as follows:

<u>Company</u>	<u>Bid Amount</u>
Bobco Metals, LLC	\$366,248
Iron Knob Corporation	\$411,090
Dalaj International Corporation	\$437,357
Lighting Fence Company	\$468,100
Harris Steel Fence Company	\$675,618

E. Minority/Female Participation – Selected Contractor and Subcontractor

Name	Ownership	Employees
Bobco Metals, LLC	Non-minority	Total: 29 22 minorities 3 women 76% minorities 10% women

F. Minority/Female Participation – Firms Not Selected

Name	Ownership	Employees
Iron Knob Corporation	Minority	Total: 30 N/A minorities N/A women
	Information Not Available	N/A minorities N/A women
Dalaj International Corp.	Non-minority	Total: 3 1 minorities 1 women 33% minorities 33% women
Lightning Fence Co.	Minority	Total: N/A N/A minorities N/A women
	Information Not Available	N/A minorities N/A women
Harris Steel Fence Co, Inc.	Non-minority	Total: 19 13 minorities 2 women 68% minorities 11% women

The Housing Authority conducts ongoing outreach to include minorities and women in the contract award process, including: providing information at local and national conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Housing Authority.

The recommended award of the contract is being made in accordance with the Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.

Contract Summary

Project Name: CPTED Fencing & Gates Improvements
Locations: Various locations as identified in Attachment A
Bid Number: CDC07-149
Bid Date: October 25, 2007
Contractor: Bobco Metals, LLC
Services: Fencing and gate improvements

Contract Documents: Part A – Instructions to Bidders and General Conditions; Part B – Specifications; Part C – Bidder's Documents, Representations, Certifications, Bid, and Other Statements of Bidder; all addenda to the Contract Documents.

Time of Commencement and Completion: The work to be performed under this Contract shall be commenced within ten (10) days after a Notice to Proceed is received by the Contractor, or on the date specified in the Notice, whichever is later, and shall be completed within eighty (80) calendar days following the required commencement date.

Liquidated Damages: In the event of breach of contract, the Contractor and his/her sureties shall be liable for, and shall pay to the Housing Authority the sum of **Four Hundred Dollars and Zero Cents (\$400.00)** as liquidated damages for each calendar day of delay, until the Work is accepted by the Owner.

Contract Sum: The Housing Authority shall pay the Contractor for the performance of the Construction Contract subject to additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum of **Three Hundred Sixty-Six Thousand Two Hundred Forty-Eight Dollars and Zero Cents (\$366,248.00)**. The Contract Sum is not subject to escalation, includes all labor and material increases anticipated throughout the duration of this Construction Contract.

Contract Contingency: \$91,562.00



**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office

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Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Carlos Jackson
Executive Director

December 19, 2007

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
2 Coral Circle
Monterey Park, California 91755

Dear Commissioners:

**ADOPT RESOLUTIONS APPROVING ISSUANCE OF MULTIFAMILY HOUSING
MORTGAGE REVENUE BONDS FOR MULTIFAMILY HOUSING IN THE CITY OF
WEST HOLLYWOOD (3)**

IT IS RECOMMENDED THAT THE YOUR COMMISSION:

1. Recommend that the Board of Commissioners acting as a Responsible Agency for the Sierra Bonita Apartments Project, certify that the Housing Authority of the County of Los Angeles has independently considered the attached Initial Study/Negative Declaration (IS/ND), prepared by the City of West Hollywood, as Lead Agency, and reached its own conclusions regarding the environmental effects of the project; and find that the project will not have a significant effect on the environment.
2. Recommend that the Board of Commissioners adopt and instruct the Chair to sign a Resolution, provided as Attachment B, as required under Treasury Regulations, declaring an intent by 7530 Santa Monica, L.P. (the Developer), a California Limited Partnership, to undertake bond financing in an amount not exceeding \$11,000,000 to finance the site acquisition and construction of the Sierra Bonita Apartments (the Project), a 42-unit multifamily rental housing development located at 7530 Santa Monica Boulevard in the City of West Hollywood.
3. Recommend that the Board of Commissioners authorize the Executive Director of the Housing Authority to submit an application to the California Debt Limit Allocation Committee (CDLAC) for a private activity bond allocation in an aggregate amount not exceeding \$11,000,000 for the purposes described herein.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this action is to approve the issuance of Multifamily Housing Mortgage Revenue Bonds in an aggregate amount not exceeding \$11,000,000, and to authorize the Executive Director of the Housing Authority to apply to CDLAC for a private activity bond allocation in the same amount to finance the site acquisition and construction of 42 units, including one manager's unit with no affordability requirements.

FISCAL IMPACT/FINANCING:

No County costs will be incurred. The Developer will pay all fees and related costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The Project, to be located at 7530 Santa Monica Boulevard in the City of West Hollywood, will consist of one four-story apartment building with 42 one-bedroom units. Thirteen of the units will be reserved for households with incomes that do not exceed 30% of the area median income (AMI) for the Los Angeles-Long Beach Metropolitan Statistical Area, adjusted for household size, as determined by the U.S. Department of Housing and Urban Development (HUD). Twenty-nine of the units will be reserved for households with incomes that do not exceed 50% of AMI. The affordability requirements will remain in effect for 55 years. All affordable units will be occupied by special needs households. The manager's unit will have no affordability requirements.

On August 20, 2007, the City of West Hollywood adopted a resolution authorizing the Housing Authority of the County of Los Angeles to issue multifamily revenue bonds for the Project.

Adoption of the Resolution by the Board of Supervisors approving issuance of the bonds is required prior to submission of the Housing Authority's application to CDLAC for a private activity bond allocation. This action does not, however, authorize the issuance and sale of the bonds. The Housing Authority will return to the Board of Commissioners for this authorization at a later date.

Adoption of the Resolution by the Board of Commissioners of the Housing Authority announcing the intent to issue Multifamily Housing Mortgage Revenue Bonds is required to establish a base date after which costs incurred by the Developer may be included in the construction and permanent financing obtained pursuant to issuance of the tax-exempt bonds. The Resolutions are also required to complete the Housing Authority's application to CDLAC.

On December 18, 2007, the Housing Authority conducted a hearing at its office located at 2 Coral Circle in Monterey Park regarding the issuance of multifamily bonds to finance the Project, pursuant to Section 147(f) of the Internal Revenue Code. No

Honorable Housing Commissioners
December 19, 2007
Page 3

comments were received at the public hearing concerning the issuance of the bonds or the nature and location of the Project.

The attached Resolutions were prepared by Orrick Herrington and Sutcliffe, Housing Authority Bond Counsel, and approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION:

An Environmental Assessment was prepared for this project pursuant to the requirements of the National Environmental Policy Act of 1969 (NEPA). It describes the proposed project, evaluates the potential environmental effects, and describes the mitigation measures necessary to avoid potentially significant environmental effects from the project. Based on the conclusions and findings of the Environmental Assessment, a Finding of No Significant Impact was approved by the Community Development Commission on July 26, 2007. Following the required public and agency comment period, HUD issued a Release of Funds for the project on August 11, 2007.


As Responsible Agencies, and in accordance with the requirements of the California Environmental Quality Act (CEQA) Guidelines, the County of Los Angeles and the Housing Authority of the County of Los Angeles reviewed the IS/ND prepared by the City of West Hollywood and determined that the project will not have a significant adverse impact on the environment. The County and Housing Authority's consideration of the IS/ND, and filing of the Notice of Determination, satisfies the CEQA Guidelines as stated in Article 7, Section 15096.

The environmental review record for this project is available for public review during regular business hours at the Commission's main office, located at 2 Coral Circle in Monterey Park.

IMPACT ON CURRENT PROJECT:

The proposed action is a necessary step to provide bond financing for the Project, which will retain the supply of affordable multifamily housing in the County with long-term affordability.

Respectfully submitted,


for CARLOS JACKSON
Executive Director

Attachment

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF
LOS ANGELES APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING
REVENUE BONDS AND RELATED ACTIONS

WHEREAS, the Housing Authority of the County of Los Angeles (the "Authority") intends to adopt a plan of financing to sell and issue multifamily housing revenue bonds in one or more series issued from time to time, and at no time to exceed \$11,000,000 in outstanding aggregate principal amount (the "Bonds"), in order to assist in financing the acquisition and construction of a multifamily rental housing development consisting of 42 units located at 7530 Santa Monica Boulevard in the City of West Hollywood (the "Project"), to be owned by 7530 Santa Monica, L.P., a California Limited Partnership (or an affiliate or assign); and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the "Code"), the Bonds are required to be approved prior to their issuance by the applicable elected representative of the governmental unit on whose behalf the bonds are expected to be issued and by each governmental unit having jurisdiction over the area in which any facility financed by such bonds is to be located, after a public hearing held following reasonable public notice; and

WHEREAS, the interest on the Bonds may qualify for exclusion from gross income under Section 103 of the Internal Revenue Code of 1986 (the "Code"), only if the Bonds are approved in accordance with Section 147(f) of the Code; and

WHEREAS, the Project is located wholly within the County of Los Angeles, California;
and

WHEREAS, this Board of Supervisors is the elected legislative body of the County and is the applicable elected representative of the Authority within the meaning of Section 147(f) of the Code; and

WHEREAS, pursuant to Section 147(f) of the Code, the Housing Authority of the County of Los Angeles has, following notice duly given, held a public hearing regarding the issuance of such Bonds on December 18, 2007, and now desires that the Board of Supervisors approve the issuance of such Bonds; and

WHEREAS, this Board hereby finds and declares that this resolution is being adopted pursuant to the powers granted by law;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The above recitals, and each of them, are true and correct.
2. This Board of Supervisors hereby approves the issuance of the Bonds by the Authority to finance costs of the Project. It is the purpose and intent of this Board of Supervisors that this Resolution constitute approval of the Bonds by the applicable elected representative of the issuer of the Bonds and the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located, in accordance with Section 147(f) of the Code.

3. The proper officers of the Authority are hereby authorized and directed to take whatever further action relating to the aforesaid financial assistance may be deemed reasonable and desirable, provided that the terms and conditions under which the bonds are to be issued and sold shall be approved by the Board of Commissioners of the Authority in the manner provided by law prior to the sale thereof.

4. The Executive Officer-Clerk of the Board of Supervisors or a deputy thereof is directed to certify and deliver a copy of this Resolution to the Authority.

5. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Board of Supervisors of the County of Los Angeles, State of California, this 8th day of January, 2008, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By _____
Yvonne Brathwaite Burke
Chair of the Board of Supervisors

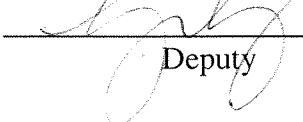
ATTEST:

SACHI A. HAMAI
Executive Officer-Clerk
of the Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By:  _____
Deputy